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USSR Report

CONSUMER GOODS AND DOMESTIC TRADE

No. 4

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

MINISTER REVIEWS RSFSR CONSUMER TRADE

Moscow SOVETSKAYA TORGOVLYA in Russian 24 Apr 80 p 2

[Article by V. Shimanskiy, Minister of Trade RSFSR:
"To Do It Effectively Means Doing It Across-the-Board"]

[Text] Since 1970 the sales volume of recreational consumer goods and everyday household items in the Russian Federation has increased by a factor of almost 1.9, at a time when the commodity turnover grew over-all by a factor of 1.5. During this time the extent to which the republic's inhabitants have been provided with durable goods has grown noticeably. The product assortment of everyday necessities has been significantly expanded.

Despite the successes that have been achieved, the production of many types of recreational consumer goods and everyday household items lags behind consumer demand.

At the November (1979) Central Committee CPSU Plenum, L.I. Brezhnev sharply criticized the work of both the industrial ministries and the Ministry of Trade USSR for serious shortcomings in organizing the production of goods. It was noted that stoppages had been observed in the trade of those goods that for some reason are usually called "notions." It was also mentioned that it was the direct obligation of trading organizations to influence production much more actively and to try to obtain from industry the output of those goods that are really needed by the consumer. This criticism applies fully to the heads of industry and trade in the RSFSR. It is most important that specific and effective conclusions be drawn from this.

After the November CC CPSU Plenum, the Council of Ministers RSFSR issued a decree "On the Measures to Further Increase Production of Household and Personal Goods." Specific tasks were envisaged for the republic's industry in 53 different goods in each oblast. These tasks were designed to eliminate shortages of household "notions" in the near future, of 30 different types of them, in fact, within the present year. Searches were made for capabilities to produce 378 million rubles-worth of consumer goods over and above those volumes forecast in this year's plan.

Solving the tasks of increasing production, expanding the product assortment and raising the quality of the goods depend to a great extent on initiative at the local level, particularly in the use of local resources. We do have some examples where such work is being conducted daily with determination. Thus, the Ul'yankovskaya Oblast has refused to import items made of wicker, shovel handles, ax handles, paint brushes, scrub brushes, coathangers and many other goods. A wide assortment of the most basic items are always available for purchase there. A great deal of attention is being paid to providing the public with recreational consumer goods and everyday household items in the Tatarskaya ASSR. In the four years of the five-year plan the output of these goods has increased by 43 percent, at a time when the average increase in output was 28 percent in the RSFSR.

However, in many other places the capabilities of industry are still insufficiently utilized, especially those of local subordination, as was noted at the All-Union Conference on the problems of supplying the public's need for recreational consumer goods and everyday household items, which was recently held in Kazan. While local industry in the RSFSR handles 10.8 percent of the production of these goods, it is 2.9 percent in Vladimirskaya Oblast, 4.8 percent in Udmurtskaya ASSR and 3.4 percent in Primorskiy Kray. The development of production of small household items is seriously lagging in Pskovskaya, Chitinskaya and Tomskaya Oblasts and in Severo-Osetinskaya ASSR. The output of these articles has almost not increased over that of 1975 at local industry enterprises in Tyumenskaya, Kalininskaya, Volgogradskaya and Novgorodskaya Oblasts, and it has even decreased in Ryazanskaya and Omskaya Oblasts, as well as in Krasnoyarskiy Kray.

The arbitrary reduction or curtailment of output of one good or another inflicts significant losses on the market. As it is well known, producers don't have the right to do this without the consent of trade. However, they oftentimes, under all kinds of pretexts, making use of the undemanding nature of trade organization heads, remove from production or decrease the output volume of items that are unprofitable to the enterprise but needed by the public. Among such things most frequently are those that enjoy increased demand. In the Yaroslavl'skaya Oblast, in the four years of the five-year plan, the production of wooden shovels has been decreased by a fourth, shovel handles - by more than a half, ax handles - by 86 percent, and vegetable cutting boards - by 66 percent. Now these things have to be imported there. The "Progress" Association of the administration of local industry removed from production kitchen boards and rolling-pins, the demand for which had not been met, and began to produce them in a souvenir version, at a higher price.

By the way, cranking up the output of high-cost goods by decreasing low-cost goods is not a rare occurrence. Take, for example, children's toys. Small low-cost dolls and various stuffed animals have disappeared from the counters. In their place are being manufactured dolls or, say, teddy bears, puppy dogs and elephants which are larger and made of more expensive materials. Such goods are also needed, but not at the expense of those things that the market is short of. Many wholesalers and directors of trade in the ASSRs, krays and oblasts now and then passively watch as, figuratively speaking, rules knock down the number of items.

In the last three years at Novosibirskaya Oblast enterprises the production of rakes, pitch forks, coils for electric ranges and irons, cleaning appliances, cutting boards and other items has been decreased by about 1.5 million rubles. It is not by chance, then, that inhabitants of this oblast have been sending so many signals about trade shortages of so many of the most basic items. Many goods are imported from far away to overcome this deficit: rolling-pins and grinders from Voronezh, bathroom grates from Bryansk, coathangers from Kostroma. And nevertheless it is hard for people in Novosibirsk to find many household items in the stores.

All these facts obviously witness an abnormal phenomenon. What is needed here are not retail measures, but a well-defined system of control and the maximum use by the trading organizations of all the rights and resources they have at their disposal that will impact on industry. An important resource to increase the output of goods in short supply lies in kolkhoz and sovkhoz small industry, the labor of craftsmen working at home, and the facilities of consumer service enterprises. Kolkhoz and sovkhoz small industry alone annually produces goods worth over a billion rubles. This is quite a modest figure. However, the greater part of the goods are sold outside the market. Wholesale bases by their nature do not have kolkhoz and sovkhoz small industry within their purview, they don't conclude contracts with them or assist them in searching for raw material and other materials, or propose needed and promising items for development.

To illustrate how the trading organizations of the republic are still weak in bringing in additional commodity resources, let's cite this example. In many places it is hard to buy a piece of plywood or plastic, a reel of wire, a part for a radio and other materials and replacement parts which the handyman and hobby groups need. And at this same time a number of plants and factories are throwing away scraps of various kinds, defective parts and other waste material. This is obviously an abnormal situation. The experience of the Leningraders in this regard is worth widespread dissemination. They have opened stores where non-standard parts of all kinds are sold.

Satisfying the public demand for many recreational consumer goods and everyday household items now depends not only on the production volume, but on their quality. In the last few years a large amount of work has undoubtedly been conducted in industry as a whole to increase the product assortment and to improve the quality of these products. New items have appeared and the output of products bearing the "Seal of Quality" is growing. However, more than a few complaints about the quality of these goods are coming from customers. The figures in the 1 October 1979 simultaneous audit of unmarketable recreational consumer goods and everyday household items in wholesale bases and in the retail trade addressed this very point. Goods worth 162 million rubles are just sitting there. And yet to manufacture these items which have "sunk" means using raw material and other materials that are in such short supply, expending labor and keeping equipment occupied.

One shouldn't forget that the low quality of many goods is one of the reasons they are in short supply. Take metal shovels. Last year in the republic the market obtained 14.6 million of them. The quantity would seem to be sufficient, but the demand for them couldn't be met because the service life of the shovels is short: almost at the first attempt to dig up a flower bed the tip of the blade bends, the handle breaks and one has to go to the store again for a new one.

The expansion and renewal of the product assortment should be a subject of constant concern. Nowadays, to give an example, it is not enough to have one type of cutting board on the store shelves and think that the demand has been met. Housewives ask for boards of various sizes and shapes. Such increased demands apply to almost all types of household goods. But industry produces many items in the same, unchanged style for literally decades. It is not by chance that among household goods there are so few with the "Seal of Quality" and with the "Plant Standard" index.

To a significant degree such an attitude about "notions" among the producers of such things results from the passive attitude of the buyers. When they conclude contracts with industry, a majority of the wholesale bases do not present demands for intragroup product assortment or specify the style, sizes, color selection or other consumer qualities that would force them to produce the goods at contemporary standards.

The All-Union Permanent Pavilion of the Best Samples of Consumer Goods and its branches should provide a great deal of assistance to industry in renewing and expanding the product assortment, improving item quality and raising the esthetic level. However, many ministries and departments in the republic use very poorly

the capabilities this organization offers. In the three-and-a-half years of the five-year plan, enterprises of the Russian Federation's industrial ministries took for development 4,400 samples of goods in the Pavilion, of which less than half were actually developed and put into production. This is obviously too few.

Samples of everyday household goods are used in a particularly unsatisfactory manner. To take an example, the following plants - Uralsk, "Krasnyy Kust," "Krasnaya Ushna," Chernyatin and Ulan-Ude of the Ministry of the Construction Materials Industry - did not put into production a single one of the 34 samples of glass and crystal items they got at the Pavilion. The Gubakha plant "Smena" took for development seven types of metal toys at the Urals branch of the Pavilion, and was supposed to start production of them in the first quarter of 1979. The matter ended with the return of the samples.

Trade organizations must find and use new, more effective influencing techniques in their work with industry in searching for additional commodity resources and in improving the product assortment. In Voronezh, for example, the store "Voronezhets" was opened, and it is both an exhibition of samples of industrial goods manufactured at the oblast's enterprises and a trade enterprise, where these items are sold.

Recently in several oblasts continuously-operating exhibit-displays and exhibit-commodity sales have been organized. These also provide an opportunity for industry representatives to evaluate visually the product assortment of items under production and their sizes, and to more precisely focus on the production of those items that are in short supply in a given region. It is useful when items that are not in demand are shown together with the new items at these exhibits.

Similar forms of communication with industry raise the level of commercial work, frequently decrease the amount of correspondence, of which there is more than enough nowadays, and permit a concrete business dialogue and the timely resolution of problems which arise. The exhibit halls and sample display rooms of the wholesale bases should be much better utilized. The experience of the Bashkirskaya ASSR base of Roskhoztorg [Republic Office for Wholesale Trade in Household Goods] demonstrates the importance of this. Samples of goods being produced by industry and those goods that have been accepted for production were displayed in the display cases of its exhibit hall. Systematic control is exercised on the progress of their development.

Speaking about raising the demands placed on industry and improving ties with industry, it is necessary to take a special look at the work of the wholesale organizations. They determine the market's requirements for goods, issue the orders for these, and coordinate production. Quite frequently when the orders are being drawn up and agreed upon the trade workers are not guided by long-range or real requirements; instead, they proceed on the basis of the current-day situation: demand as much as possible if the good is in short supply, but avoid those in sufficient supply, which is what should be worked with, especially as they are cheap. Downgrading the requisition orders against the real requirement oftentimes leads to stoppages, which cause the customer to become uncertain and create an unjustifiably high demand. It is necessary to take into account the fact that continuous fluctuations in requisition orders cause feverish activity in industry, and lead to a reduction in production, the restoration of which is not easy later on.

There is yet another chronic "illness." Many wholesale bases determine the requirements of non-centrally planned goods only in the territory they serve and barely take into consideration any requirements outside their territory. This frequently holds back the production of goods needed by the public, since it is uneconomical for industry to produce them in small quantities. In the end this leads to importing from other areas items which could have been locally produced.

Serious work needs to be done on improving the management of all the processes connected with satisfying the market's requirements for goods, for the most basic goods in particular. At first, as an experiment, we are planning to create leading wholesale enterprises in several economic regions. For example, in the Urals economic region the Sverdlovsk base of Roskhoztorg could coordinate on household goods with wholesale organizations in this region. And here's a proposal worth thinking about: establish councils of directors at the oblast wholesale bases that would include, besides the base director, the heads of those industrial enterprises which produce the goods of a given type and the heads of the large retail organizations.

Workers in the field of trade should be concerned with everything connected with increasing the output of goods. This includes knowing how industrial capabilities are developed, how they are reconstructed, how the allocated capital investments are put into effect, how raw materials are used, and how production is provided with work cadres. Only by knowing the situation at industrial enterprises well can one exert timely and effective influence on them. The rights which the trading organizations have with respect to the suppliers of goods predetermine the high degree of responsibility for providing the public with high-quality goods in the required product assortment.

CONSUMER GOODS PRODUCTION AND DISTRIBUTION

NEW TRADE AND SERVICES CENTER OPENED IN OLYMPIC VILLAGE

Moscow GORODSKOYE KHOZYAYSTVO MOSKVY in Russian No 4, Apr 80 pp 31-2

[Article by G. Andreyev: "Trade and Services Center Opened"]

[Text] In the Olympic Village, it was not a very frosty day but it was dank and windy. The towering apartments, the polyclinic, the cultural center--all the buildings in general were shrouded in a dark-gray dimness. Not visible under a heavy blanket of snow were the soccer field, the running track and the high-jump and throwing areas, the volleyball and basketball courts.

The gloomy weather, however, could not dim the charm of the beautiful architectural features of the Olympic Village, the remarkable color range of its structures, among which can be distinguished the complex called the trade and services center or the communal services building. Listen to what L. N. Nikolayev, Secretary of the Party Committee of the Olympic Village Construction Association, has to say: "The trade and services center is an architectural ensemble in itself, something which is unique from an engineering-technical standpoint; there is nothing else like it in our nation. The complex consists of three structures built in the shape of the Greek letter Pi. These buildings are not tall and, seemingly, are not big; yet they do have a great deal of space in them--another thing which makes them exceptional."

"In putting up the building," Lev Nikolayevich continued, "use was made of expansive-pivotal coverings, which gives the roofs the appearance of lightness and delicacy, plus such construction materials as aluminum, marble, travertine, and granite. It is interesting to note that all storage areas, refrigeration rooms, and other auxiliary premises are located in cellars beneath the continuous and unbroken pedestal upon which the building rests. Roads for trucks bearing freight are also there."

We invite you now into the communal services building of the Olympic Village. But first let us take note of the fact that the complex was completely erected prior to this winter day and that what is going on there now is the final work connected with the installation, adjustment and arrangement of equipment.

...So, here is the first building. It has been set aside as a department store. The sales hall, with an area of 1,237 square meters, appears to be all lit up. We get this impression not only because of the high windows on each side but from the light which seems to stream in also from suspended aluminium ceilings. We must note, by the way, that we have seen such ceilings in certain other rooms of the communal services building.

Things are bustling in the department store. Installation of equipment is going on--counters, showcases, cabinets on the aisles, cabinets on the walls. Representatives of Moscow's Main Department Store, of the Moscow Special Flower Trade Administration, of the Moscow Book Trade Association and others are gathered here. In a business-like manner, sometimes heatedly, they discuss what is to be installed where. The artists-decorators have their own problems: soon they will be called upon to decorate this trade hall; The task is not an easy one when one considers how many people of varying tastes will be visiting the olympic village department store...

But let us leave the trade workers and decorators, let us move on to the building where the sportsmen will, so to speak, be sitting down to eat. There are four dining halls in the building, each with 1,000 seats. There are no tables and chairs evident as yet. However, all of the food-distribution and serving equipment is already in place. It is the most up-to-date equipment and much of it came from abroad. All of the automatic devices, the apparatus and the machinery has been tested by the best Moscow culinary specialists, who will be working in the dining halls. We asked this question of A. N. Mamykin, an assistant production manager at one of the dining halls:

"How has the equipment proven itself in actual use?"

"Very well!" replied Aleksandr Nikolayevich. "It will be pleasant for the cooks to work. But most important it will be possible to prepare high-quality food. It is precisely this task which confronts us."

We wish to make note of one characteristic detail in this system of self-service which will be used in Olympic Village dining rooms. We have become accustomed to the fact that, as a rule, the food distribution line is located in the dining room itself; thus, seated at the table, we see what goes on in the kitchen and we breathe in all of its aromas. But here, the distribution lines have walls separating them from the place where the food is eaten. And all of this meets sanitation requirements.

Today, a small dining room with 130 seats is already in operation within the dining block. It serves the construction workers. The work collective there consists of employees from the "Havana" restaurant. This is what dining room director A. S. Serebryakov told us:

"We strive to do everything possible so that the first 'eaters' at the Communal Services building--the construction workers--are satisfied. We have put together several sets of meals and conduct frequent consumer conferences,

at which we seek to clarify what the construction workers would like to see in our menus. At mid-week we accept orders from the workers for various food products which have to be prepared in advance and for baked goods, all of which we bring in from the 'Havana' restaurant by Friday...During the Olympics, our dining room will be feeding the service personnel of the trade and services center."

With the very same "rehearsal" aim, a barber shop and shops for the repair of shoes and watches have begun operation in the third and largest building. We are talking about, as you probably have already figured out, the communal services combine. Its over-all useful space is 5,565 square meters. Everywhere you look your eyes are gladdened by the skilfully worked interiors. For the most part, the floors are made up of marble slabs or ceramic "pyatachok" tiles.

Over 660 Moscow skilled service workers will be employed here during the international sports holiday. They will offer over 20 types of services to the inhabitants of the Olympic Village. These will be in addition to services already being offered--the repair of metal and leather haberdashery goods, radio apparatus, TV sets and tape recorders, electrical products and sporting equipment. The communal services combine will also provide drycleaning for clothes, laundry service, plus the repair and pressing of sewn goods.

If sportsmen so desire, they can rent motion picture or photo equipment or a samovar and various dishware made in the Russian national style at various rental points. The combine's photo salon will produce various types of photographs. The repair of fountain pens plus engraving will also be in the range of services provided. We must note here that all types of orders will be fulfilled during the course of the day.

As you already know, the complex which we have described to you, is officially known as the trade and services center. The construction workers and the people who will be working in it call it the communal services building. We would like to attach yet another name to it--the very necessary services building. This is because of the fact that, upon entering it, the Olympic participant can get everything that he needs. There he will be offered a tasty meal, a beautiful souvenir, or any service which he might need or cannot do without... And, after the Olympic Games are over, all of these services will be utilized by the inhabitants of the gagarinskiy and other rayons of the capital city. Because, as everyone knows, all of the Olympic buildings will be left to the Muscovites and will faithfully serve them.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

PUBLIC CATERING PREPARATIONS FOR OLYMPICS

Moscow SOVETSKAYA TORGOVLYA in Russian 12 Apr 80 p 1

[Article; "Welcome, 1980 Olympic Games!"]

[Text] The good-natured, wide-eyed little bear Misha with his five-colored belt secured by five rings reigns like a sovereign in store windows and on colorful posters and panels. This talisman of the 22nd Olympic Games occupies the chief spot in the decorations of many cities and villages of our nation, reminding us that the time for the games is drawing near.

Less than 100 days remain until the games open. On the 19th of July in the capital of our Motherland, at the Central Stadium imeni V. I. Lenin, the ceremonial lighting of the Olympic flame will take place. For the first time in the history of the modern Olympic movement, this grandiose sports forum will be conducted in a Socialist country. It will become a genuine holiday of peace and friendship, will be an important step in the strengthening of the international Olympic movement, and will promote the development of mutual understanding and cooperation between peoples.

One hundred and five national Olympic committees have already notified the "1980 Olympiad" Organizational Committee of their definite intention to participate in the games. It is testimony to the wide international interest in the Olympic Games in Moscow and to the fact that the efforts of the U.S. Administration to disrupt the games, to splinter the world Olympic movement is doomed to certain failure.

Preparation for the forthcoming Olympic Games within our nation has come to be truly the affair of all our people. Participating in this important and responsible work are all of the fraternal republics of our Motherland. The Soviet people are striving to do everything possible to see that the 1980 Olympic Games, in the words of Comrade L. I. Brezhnev, "are conducted on the highest level and that they provide new impulse to the beneficial ideas of friendship and peace."

As was noted recently at a meeting of the press commission of the International Olympic Committee, Moscow as well as Kiev, Minsk, Leningrad and Tallin are

practically ready to conduct the competitions and to welcome participants and visitors to the games. A considerable degree of work, this involving the construction and reconstruction of sports facilities, of hotels, of trade and dining facilities, expansion of the manufacture of souvenirs and goods bearing the Olympic symbol, has been carried out everywhere.

Of no small importance in this role of preparing for the games and for their successful conduct are the tasks which have been allotted to our trade and public catering services. So large and wide-scale were the competitions plus measures connected with them involving welcoming and serving a great number of people that this required serious and strenuous activity on the part of all subdivisions of the USSR Ministry of Trade, of the Central Union of Consumer cooperatives and of their local agencies.

Already fulfilled, as of right now, is the basic volume of work which had to be done as to construction and reconstruction of material-Technical Bases, as to the selection and training of personnel, and the accumulation of goods. In Moscow, for example, dozens of public catering enterprises capable of feeding almost 40,000 people were constructed. About 150 restaurants and cafes underwent major renovation. The "Culinary Shop" of the Central Stadium imeni V. I. Lenin was expanded considerably. Sportemen, tourists, judges and representatives of the press will be served at almost 400 public catering enterprises during the Olympic Games.

With every day, more and more public catering enterprises--restaurants, cafes, dining rooms and bars in Leningrad--are being decorated with Olympic emblems. This is a sign of their readiness to receive and serve guests of the Olympic Games. In many of them, new kitchen and technological equipment has been installed. Varied menus of Russian and national dishes have been devised. The training and retraining of waiters and maitre d'hotels is now being completed. Much has been done and is being done towards better organization of trade services during the Olympic Games in Kiev, Minsk and Tallin.

Workers of consumer cooperatives in the RSFSR, the Ukraine, Belorussia, Estonia and Moldavia are intensively conducting their preparations for receiving guests and participants in the Olympic Games. Along the line of march of the tourists and sportsmen as well as participants in the Olympic relay-races are located about 2,000 rural stores, cafes, dining rooms, and restaurants. Side by side with the construction of new enterprises the repair and reconstruction of existing facilities and the improvement of their outward appearance is going on.

All work involved in placing Olympic trade organizations into operation should be fully wound up everywhere by 15 May. The leaders of republic Ministries of Trade, consumer cooperative unions and trade-union committees must assume strict and constant control over the progress of the construction and reconstruction of enterprises, must see to the precise observance of work schedules, and must provide all necessary aid.

On any sector, in any matter, success is insured by specific individuals. The hearty welcoming of Olympic Game participants and guests, giving them high-class service and hospitality--this is the main task of all those people who will render this high honor. It is the duty of sales personnel, cooks, pastry makers, waiters, maitre d'hotels--of all workers entrusted to work at the Olympic Games--to demonstrate their high professional mastery, to create an atmosphere of attentiveness, to place their guests at ease, and to please them.

We have no shortage of hospitality, sincere generosity, or good will. Let the guests of the Soviet Union at the 1980 Olympics be convinced of this once more. May they be left with the very best impressions of their visit to the Soviet Union, of those people who cared for their daily needs.

Going on now in our own particular branch of industry is the expansion of socialist competition over the exemplary serving of participants and guests at the Olympic Games. This initiative of leading work collectives is being given support by the USSR Ministry of Trade, by the board of the Central Council of Consumer Cooperatives, and by the Central Committee of the Trade Union of State Trade and Consumer Cooperative Workers. At enterprises in all of our union republics competitions are being held in all of our professions, the winners of which will work at Olympic trade installations. A strict measure is needed in approaching this matter of selecting people who will be serving our guests at the games. Only the very best, the most thoroughly trained people, people of high moral character should receive this right.

Every director of a store, restaurant, cafe, or dining room is obliged to give careful thought to the entire trade process, to its precise organization, and to its effective usage. This will assist us in providing a superior brand of services.

In preparing for the Olympic Games, it is necessary also to devote serious attention to the decoration of trade enterprises in those cities in which the games will take place, as well as of those enterprises located along the routes to be followed by tourists and participants in the Olympic Games relay races. This work must be completed by 1 July and must be on a high artistic level, in strict conformance with the requirements of the International Olympic Committee. The decorations themselves should be profound in nature.

Employment at the 1980 Olympics is a matter of honor and responsible matter. The workers of our branch of industry are filled with resolve to withstand with honor this serious examination of their professional skill, to fulfill the tasks placed before them, and to facilitate a high quality in the trade services which will be provided participants and guests in the 22nd Olympiad.

CONSUMER GOODS PRODUCTION AND DISTRIBUTION

OFFICIAL DISCUSSES OLYMPIC PREPARATIONS

Moscow SOVETSKAYA TORGOVLYA in Russian 29 Apr 80 p 3

[Article by USSR Deputy Minister of Trade V. Bychkov, member of the 1980 Olympiad Organizational Committee: "Organize Trade Services for participants and Guests of the 1980 Olympiad on an Olympic Level"]

[Text] For the first time in the 86 year history of the modern Olympic movement, the site for the games will be here in our nation--in our capital city of Moscow and in the cities of Leningrad, Kiev, Minsk and Tallin. Granting this right to conduct the 1980 Olympiad to the Soviet Union is recognition not only of the high achievements of its sportsmen but of our nation's capability to conduct these games on the very highest organizational and sports-technical level. This of course places the highest responsibility upon those people who have been chosen to take part in preparing for the 1980 Olympiad, including our trade and public catering workers: they have been called upon to facilitate the provision of exemplary service to all participants and guests of the 22nd Olympiad--from their arrival until their departure.

The specific tasks of our branch of industry in connection with the Olympics were determined well ahead of time; it was on this basis that our detailed and complex plans were worked out. These called for the preparation of material-technical bases, personnel, and the necessary organizational measures. Olympic commissions, administrations and departments were created locally to direct all of this work.

It is anticipated that tens of thousands of sportsmen, guests and tourists will come to the 1980 Olympiad. Set aside to serve them are 490 public catering enterprises of all types, these capable of serving 156,000 people. Of this number of 490, 151 enterprises are newly-built, with the rest reconstructed or repaired. The majority of the new restaurants, cafes, dining rooms and lunch shops have already been placed into operation. Thus, for example, of 28 installations set for construction in Moscow by the Capital Construction Main Administration of the Mosgorispolkom, 26 have already been accepted. Of the two remaining installations, the most important is a food preparation factory which is being counted on to provide 25 tons of food raw material per day. This factory needs one and one-half to two months of

operation at full capacity in order to enter upon the Olympic Game period with confidence. The necessary measures have now been taken to see that this factory is placed into operation in the near future.

Various uncompleted details have been noted at a number of newly-built installations. It is testimony to the fact that not all acceptance commissions everywhere are sufficiently demanding. As a result of this, these incompleteness have to be eliminated after the installations have been placed into operation, creating an inconvenience for personnel serving them. Formal acceptance papers should be signed only in those cases where construction and installation workers hand over, so to speak, the key to the building, i.e., when the installation is fully ready for operation. No indulgences or allowances at all should be tolerated!

Conditions and requirements for the acceptance of trade and public catering enterprises which will serve the 1980 Olympiad have already been set. These will be accepted by Gorispolkom commissions, membership in which will include responsible workers of the USSR and union republic ministries of trade. Everything is to be checked--the material-technical base, interiors, personnel readiness, stock on hand. Enterprises accepted will be awarded certificates attesting to their right to serve Olympiad participants and guests. All of this work should be wound up by 15 May. By the way, these same commissions will be controlling, during the period of the games, the enterprises accepted by them; they are to see how the enterprises serve our visitors and are to bear the responsibility for this. Thus, these commissions should have direct interest in seeing to it that the awarding of these certificates is not just a formality, that they have been given with the full conviction that the given enterprise is really fully ready for work on a very high level.

Preparation of the retail trade network for serving the 1980 Olympiad is being completed successfully. Repair of the majority of stores has been accomplished, with the rest of the stores to be ready within the very near future. The network of smaller retail stores is being supplemented by new kiosks which will be selling souvenirs, newspapers and magazines, ice cream, tobacco products, and flowers. In Moscow, for example, 636 of these kiosks will be set up. On the main streets of the capital leading to the Olympic Games area an additional 350 kiosks, selling beer, kvass, and other cooling drinks, will make their appearance.

Provision of trade services for sportsmen in Moscow will take place in the Olympic Village. Prior to the beginning of the games, a large trade center will be opened there. Its construction has already been completed; equipment is now being installed in it. Responsibility for running the trade system in the Olympic village has been entrusted to the workers of Moscow's Main Department Store.

An important pre-condition for the uninterrupted and high-quality performance of trade and public catering enterprises is to see to it that they are provided with technological and refrigeration equipment, with stock, and with furniture. Those enterprises which will be called upon to serve the

Olympiad have already received a sufficient quantity of such gear, which now needs to be installed and mastered. It is to be hoped that the workers of these enterprises will handle the equipment and the stock which they have received in a business-like manner and will utilize it with skill.

Many trade and public catering facility managers have expressed uneasiness over the problem of dish washing. This problem has been solved. All Olympic installations are being provided with enough dishware plus one-time usage implements.

Workers of all enterprises which have been designated to serve the Olympiad will be distinguished by the uniforms with which they have been provided. Fashion designers worked out clothing models in advance, which was then ordered from the clothing industry by trade organizations. The new uniforms are now available in stores. What is important now is to check to see that it conforms to fashion and as to quality of the sewing that went into it. This needs to be mentioned because the Main Administration of Railroad Restaurant and Dining Facilities has already encountered instances of poor quality in the fulfillment of so responsible an order. All of us are interested in having our workers at the Olympic games look elegant.

Public catering enterprises have received the recommendations of the 1980 Olympiad Organizational Committee in regard to sample menus for participants and all categories of guests. They need now to be worked out with the cooks so as to prepare all of these dishes with confidence in time for the games.

I wish to speak in particular of those people who will be entrusted with providing trade services to participants and guests of the 1980 Olympics. The majority of them have been selected in course of the competitions which were held by trade organizations, dining-room and restaurant trusts, so that these individuals are truly the best of the best. In addition, there will also be working for us students, graduates of vocational and technical schools and training course combines, plus trade veterans--in all, over 90,000 people. All of them have gone through a special 40-hour course of training, with enterprise directors being put through a 240-hour Olympic program.

A great work load has been taken on by many of the leading enterprises in our branch of industry. The collective at the Main Department Store in Moscow is delegating a portion of its personnel for work in the Olympic Village, to which are also being assigned large detachments of cooks, waiters, barmen and maitre d'hotels from the "Moscow" and the "Ukraine" restaurants. The "Prague" restaurant is sharing its workers with the Olympic Press Center, etc. This of course creates some difficulty for these enterprises. The Main Administration of Public Catering Facilities of the Mosgorispolkom is striving without delay to supplement its personnel.

As of today, all of the questions connected with trade services for the Olympic Games have been basically resolved with the aid of central and local party and soviet agencies. But this does not mean that we can now rest

easy. Still more remains to be done in this, the closing stage of preparations for the Olympic Games. First of all, it is incumbent upon every trade and public catering enterprise to "set rolling" (as they say in our trade) every piece of equipment, the entire technological chain, and all forms and methods of providing service. The latter are all the more important because, in the application of such forms as the "Swedish buffet" and the "European breakfast," we do not have sufficient experience.

What should be worked out and tested are plans for the management of trade organisations and enterprises and for their ties with agencies of the Olympic Committee and of the Olympiad Organizational Committee, as well as plans for the management of supply enterprises, dispatcher and first aid services. All of this is acquiring particularly important significance because of the fact that this is the first Olympics we will have served; unexpected problems can and will arise and we should be prepared to resolve them with skill and with speed.

Only 81 days remain until the beginning of the 22nd Olympic Games. But the sphere of services will swing into action sooner than that because many of the participants and guests will arrive in Moscow before then. That is why every day remaining to us is particularly precious in order to cope successfully with this problem of eliminating all shortcomings and rough spots, in order to be fully prepared to meet with the first owner of a ticket to the Olympic games.

Our duty is to so organize trade services for participants and guests of the 1980 Olympiad as to augment still further the glory of our indigenous Soviet hospitality.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

LATVIAN OFFICIALS EVALUATE CONSUMER INDUSTRIES

Minister of Local Industry

Riga SOVETSKAYA LATVIA in Russian 19 Mar 80 p 2

[Report of an interview with N. G. Altykhov, Minister of Local Industry for the Latvian SSR, by a correspondent for LATINFORM (The Latvian Information Agency) in the column "Toward the Fortieth Anniversary of the Restoration of Soviet Power in Latvia": "An Industry of 1000 Small Items"]

[Text] Articles with more than 3000 designations are produced at the 25 facilities of the republic's local industry. They include clothing and dishes, ceramic wares and musical instruments, everyday items and souvenirs, articles from the artistic trades, sporting goods and items for tourists...

The "Riga 16" piano, new types of baby carriages, lamps, sets of dishes, souvenirs, toys--just 2 or 3 years ago these items from local industry existed only in the drafts of artists and pattern makers and in the working sketches of designers. Today they are a part of our life. A 30 percent growth in local industry is foreseen in the primary sectors of development for the USSR economy during the 1976-1980 period, with primary attention going to improvements in the quality of goods.

[Question] How is the problem being solved? With this question the LATINFORM correspondent began his interview with N. G. Altykhov, Minister of Local Industry for the Latvian SSR.

[Answer] Today 12 percent of the production turned out at our facilities bears the State Symbol of Quality, said the minister. This indicator is four times higher than at the beginning of the five year plan. The fact that many items are exported abroad--including to the countries of the socialist community and the developed capitalist countries such as England, Belgium, Italy, Sweden, and Finland--attests to the high prestige of the goods produced in this sector. The rise to such a high level of production quality in our comparatively young industry was made possible by the reconstruction and technical re-equipping of the majority of our enterprises. Today they bear no resemblance to local industry of the recent past, which was splintered and had little technical capacity.

I will give you several examples. A new shop for artistic goods has been operating for 2 years in the production association "Latvian Ceramics." A modern production building has been built at the Lielvaka metalware plant. Special equipment has allowed us to introduce very new technical processes here and to improve the quality of baby carriages. The enamelware shop of the "Darba Spars" production association had a house-warming as well. When it reaches design capacity, the output of these products will double. The "Metallist" plant in Ludza has been significantly modernized. Also, a new production building for the mechanical processing, assembly, and galvanization of locks and hardware has been accepted at the "Kurzeme" plant in Aizpute. Every second enterprise in the industry has been practically reconstructed during the 10th Five-Year Plan. As a result of this our production of high quality dishes, thermoses, wash basins of floor stands, [pedal buckets], and certain types of clothes has increased by a factor of 1.5. Our output of children's goods has increased too. Last year alone production of 22 novelties for the youngest tots was mastered.

[Question] Nikolay Grigor'yevich, a number of economic experiments were underway in our republic and in the country as a whole long before the appearance of the CC CPSU and USSR Council of Ministers decree on improving the economic mechanism. We know that your ministry examined the normative method for planning the wage fund and the planning of production in terms of value and pieces rather than by gross output. Could you tell us in more detail about your experience while working in this area?

[Answer] A wide assortment of enamel dishes can be found in Latvia's stores today: bowls decorated with patterns, mugs, teacups, and saucepans. The Riga production association "Darba Spars" manufactures these items. Its sharp increase in production output results from an economic experiment done at that concern.

Before, production of dishes was planned in tons, so the association found it advantageous to fulfill its established quota primarily by turning out large-dimension, heavy products such as buckets and wash basins. Small kitchen utensils were produced in small quantities and, therefore, came to be in short supply. As an experiment the "Darba Spars" association was assigned the task of producing crockery in terms of value and pieces, while the ton index was kept for calculations. As a result the proportion of large-dimension production diminished. But in return the production of small-sized bowls doubled, that of colanders increased 2.4 fold, and that of mugs--10 fold. The quality of the goods increased too. This new form of planning is now being introduced in the "Metallist" non-ferrous casting plants in Ludza and Riga.

Economic experiments done at other concerns of the republic's Ministry for Local Industry turned out to be valuable as well. For example, we began to evaluate the operation of the "Asote" garment factory in Yekabpils and of the "Lielupe" artistic haberdashery factory in Jelgava purely on production. This indicator, which excludes all the expense of embodied labor,

reflects the activity of the concern more objectively. At "Asote" it has already been in use for 2 years. As a result the labor productivity here has grown as the plan has been significantly outstripped, and the articles produced have become less labor intensive. The successful introduction of this indicator at other concerns permitted the entire ministry to transition to the norm of pure production on 1 January of this year.

The normative method for planning the wage fund has made possible an increase in the interest of the labor collectives in the growth of labor productivity and a reduction in personnel turnover. At the "Yurmala" haberdashery factory, the "Asuma" production association in Riga, and other concerns an increase in the absolute size of the wage fund was made dependent upon the volume of net production, which permitted the concerns to use the amount of wage thus saved for additional incentives for workers, engineers, technicians, and service personnel.

The brigade form of organization and labor remuneration was successfully tested at the concerns as well. The Livany glass works was one of the first to employ this method. Here cross-sectional brigades were formed on the model of those at the Volga Automobile Plant. The work of the furnacemen, glass workers, and metal workers began to be evaluated only in terms of finished production. Before, each man was responsible for a certain operation without having to concern himself with the affairs of his coworkers. In order to interest workers in not just the primary but the auxiliary professions as well, equipment conditions, their own technical creativity and the degree of their technical mastery began to be considered in finalizing the results of competition along with the volume of production and quality of the goods. An experiment on using this new form for labor organization proved itself to be fully justified. Output per worker increased significantly. Now 40 percent of our high-quality production bears the State Symbol of Quality. Regarding the pace of growth in production volume, the Livany glass works was the first in the industry to reach the level planned for the end of the five year plan. This method has proven its worth at the "Liyelupe" factory and at other concerns.

Economic experiments which orient the production collectives toward end results have become an important phase in increasing the efficiency of production and the quality of work.

[Question] What tasks confront the industry in the closing year of the five year plan, and what are the prospects for further development?

[Answer] Let's not give the reader the impression that everything is going smoothly. We should recognize that a number of items including some consumer goods are being produced in inadequate quantity. They include children's cribs and play-pens, ironing boards, bread boxes, and a number of other items. Among the primary reasons which hinder fulfillment of the planned quotas are many which depend on the ministry's own work, but disruptions in raw material deliveries and too few personnel at certain concerns

affect the situation. The workers in the industry are faced with the task of mobilizing all their reserves to improve the efficiency and quality of their work in the closing year of the five year plan. The collectives of our enterprises, in striving to worthily greet the 110th anniversary of V. I. Lenin's birth and the 40th anniversary of the restoration of Soviet power in Latvia, have taken increased socialist commitments and developed taut plans to meet those dates. As for our prospects, we intend to renew about 300 types of goods each year. It is planned to master the production of phenoplastyrol objects that "look like wood," common medical instruments, cooking implements with a heat resistant coating, common thermoses with a new type of construction, items for tourism and auto service, and crystal objects.

An increase in the output of goods of the highest quality, the minister noted in conclusion--that will be the contribution of the workers in the republic's local industry to the realization of the grandiose program for improving the living standard of the Soviet people.

Minister of Consumer Services

Riga SOVETSKAYA LATVIYA in Russian 16 Mar 80 p 1

[Report on an interview with Ya. D. Tumovs-Bekis, of Consumer Services for the Latvian SSR: "On the Road to Improving Service"]

[Text] With what success will the consumer workers in our republic greet their professional holiday? In a conversation with our correspondent Ya. D. Tumovs-Bekis, Minister of Consumer Services for the Latvian SSR, stated:

To start, let me cite a few statistics. In our republic the tempo of growth in consumer services during the years of the 10th Five Year Plan has been 20.5 percent, compared to the 1975 level, while the planned figure was 19.1 percent. Last year services worth 555,000 R were rendered above those which were planned. For the 4 year period that figure was 4 million R.

These figures vividly demonstrate that consumer service is becoming a part of the daily life of urban and rural workers. One of our top priority tasks is to expand the network of enterprises of this type.

During the current five year plan service centers were opened in Talsi, Preyli, Valka, and Dobeles. Soon such a concern will serve the population of Līvāpaya as well. A shop for the repair of televisions, radios, and major consumer appliances has been built in Daugavpils, and a number of other facilities have been put into operation. But we are not satisfied with the pace of construction. The planned structures are being built slowly, and the deadlines for reaching operational status are missed. Our plan for capital construction is far from being fully realized.

The central position in the improvement of our work belongs to the issue of quality. Now, aided by the institute LATGIPROBYT (the Latvian State Institute for Consumer Services), a comprehensive system for controlling the quality of consumer service is being developed and implemented. It is already operational at 20 concerns in the republic.

A thorough reorganization of the consumer service system is connected with finding a solution to the problem of quality. As experience shows, small consumer service establishments with their limited technical capabilities are failing to meet today's needs. The path for qualitative improvement is seen to lie in the amalgamation and concentration of enterprises and in equipping them with a powerful material and technical base. Our model is the production association, which possesses a rich material base and modern equipment. A number of such enterprises are already operational in the republic. One of them is the production association "Rigas Modes," established last year, which was awarded the challenge Red Banner of the CC CPSU, USSR Council of Ministers, All-Union of Central Council Trade Unions, and the Komsomol Central Committee as a result of all-union socialist competition.

Rural residents are the center of attention for the workers in the consumer service system. The so-called permanent outlet stores, which appeared in the rayons of the republic during the last five year plan, have become very promising. This form of service has now been introduced at nearly all our kolkhozes and sovkhoses.

Samples of available catalog items are displayed here on the premises, and the service workers take it upon themselves to transmit the order to the rayon consumer service establishment and deliver it to the client. Such a form of service is convenient for rural residents and profitable for the state. Last year the volume of services rendered to the rural populace via these outlet stores was worth R 8.5 million, or an increase of 66 percent as compared to 1975.

New types of consumer service have been introduced during the current five year plan. I will name only a few of them: sewing work on credit, television service agreements, home delivery of orders, and payment after receipt. New rules have been introduced for laundry work. But we know that the customers expect more from us, and we will strive to make further improvements.

The closing year in the 10th Five Year Plan places serious tasks before us service workers; they relate to comprehensive improvement in the quality of the services rendered to the population and to improvement in the quality of service. There is still much to correct and to raise to the requisite level. The decree of the CC of the Latvian Communist Party and the republic Council of Ministers titled "On Measures Related to the Further Development of Consumer Service to the Population of the Republic in Light of the Decisions of the 25th CPSU Party Congress" directs us toward that goal.

The sometimes angry and, I must say, most often justified responses that clients have left in the complaint books of repair workshops, studios and dry cleaners attest to shortcomings in our work. In a number of services the demands of the population are satisfied in a manifestly inadequate way. The deadlines for filling orders are stretched out. In a number of collectives the quality of handling visitors has, unfortunately, not yet been inculcated. There are the shortcomings with which we are contending, while searching for the most effective means to eliminate them.

But today, on this holiday, I would like to say something about our best workers. Broadly developed socialist competition among the collectives of the consumer service enterprises made it possible to successfully fulfill the tasks of the five year plan. Last year 2,218 workers completed their personal five year plans. Among them were A. Lun', dressmaker at the "Rigas Modes" knitted garment production association; R. Ozolinva, seamstress at the Bauskiy Consumer Service Complex in Riga; L. Kozlinskiy, barber at the "Laymdota" District Transportation Complex; B. Zakis, laundress at the "Vilnis" production association; and many others.

Great confidence has been shown in D. Melnatse and A. Vitole, cutters at the Tsesisskiy Industrial Complex of "Rigas Modes": they were elected deputies to the republic Supreme Soviet.

Among the best enterprises in the republic are the Aluksnenskiy, Bauskiy, Valimerskiy, Glubenskiy, Yekabpilsskiy, and Limbazhskiy Rayon Industrial Complexes, the Daugavpilsskiy City Industrial Complex, and others.

This year we will mark these prominent dates: the 110th anniversary of V. I. Lenin's birth, the 35th anniversary of the Great Victory of the Soviet people in the last war, and the 40th anniversary of the restoration of Soviet power in Latvia. The workers in our industry are taking increased socialist commitments in order to worthily greet these important events. The conscientious, highly professional work of the consumer service workers is the primary basis for further improvement in serving the population.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

PROBLEMS OF POTATO, VEGETABLE STORAGE IN GEORGIA

Moscow EKONOMICHESKAYA GAZETA in Russian No 6, Feb 80 p 17

[Article by V. Veslov, correspondent in Tbilisi, in the column: "A Unified Production Complex": "From Autumn to Autumn--Experience Gained in Fruit and Vegetable Storage at the Lilayskaya Center in Georgia"]

[Text] A thrifty man is better than a rich one. That is an old peasant saying, but one which retains its meaning today, although it is another kind of thrift and wealth that we are talking about--that of the nation and state. Each year the farm workers ship a mass of potatoes, vegetables and fruit to the city. Preserving this produce, getting it to the consumer without loss--either quantitative or qualitative--is a task no less important than increasing its production.

During the 10th Five-Year Plan the storage bulk of potatoes and vegetables for supplying inhabitants of the major industrial centers in Georgia--Tbilisi and Rustavi--totaled 14,000 tons. Today it has grown by more than 6 times. This has occurred thanks to the introduction of the very large Liloyeskaya Fruit and Vegetable Center. Its capacity is more than 70,000 tons.

The produce is kept in 200 storage chambers, half of which are refrigerated to between 0 and -4 degrees. All the chambers are ventilated. The vegetables are stored in containers. This not only reduced loss but permits the complete mechanization of all lifting and hauling via loaders and small trucks.

The produce is sent to the shops packed. Special mechanized devices have been set up at the center to pack the potatoes and onions in mesh bags of various sizes.

Now the Tbilisi and Rustavi vegetable stores have a wide selection of fresh fruits, vegetables and potatoes all year, from harvest to harvest. This is one of the most convincing indications of the effectiveness of investing the resources which were expended to build the center.

In this way all the harvest of vegetables and potatoes acquired safe shelter. But what about the quality?

Of course, modern storage methods reduce loss themselves, and the produce does not lose its commercial appearance as quickly. But the vegetable quality problem is growing no less acute. Perhaps quite the opposite: for storage in such proportions, each percent of loss is of great weight, and full counters in the vegetable stores make the consumer more demanding about the quality of the goods.

Despite ventilation and refrigeration, losses of produce in long-term storage are rather significant. They can be substantially reduced by improving the quality of the vegetables and potatoes placed into storage. At present they are placed into storage just as they come from the farms--without selection or sorting. And this means that the potato tubers or onions damaged during harvesting not only spoil themselves; they form centers of rot.

At the Liloyskaya Center all agree: The produce needs to be sorted before being placed into storage. The only question is, where to do it: at the Center itself or at the farms before shipment.

D. Magalashvili, chairman of the republic's agroindustrial association, believes that the latter is preferable. Indeed, many thousand tons of potatoes and vegetables reach the Center during the "peak" weeks. Meanwhile, the Center's workers have difficulty handling the potato and vegetable sorting before shipping them to the shops, and you cannot count on being able to double the amount of such work without high-speed mechanization.

At the same time as the produce is treated at the farms the issue of freight containerization can be resolved. Now the potatoes and vegetables are brought to the Center piled up on vehicles, and this is where the containers are filled. Establishing sorting areas on the farms, equipped with cheap and simple lifts, would allow us to set up direct shipment in containers without intermediate transshipment, or every transshipment means additional loss and damage to the produce.

Of course, sorting adds work. However, both the vegetable farms and the Liloyskaya Center are part of the agroindustrial association. This helps in regulating the interrelationships in the production chain "field-center-store," in the interests of the common good. In point of fact, that is just how things are happening now. This past fall preshipment sorting of the raw material was set up on a number of farms. The produce discarded was used for cattle food on the farms, and the storage chambers at the Center were loaded with high-quality produce.

The Liloyskaya Center is not simply a potato, vegetable and fruit storage site. According to the plan, food processing is also to be established here. There is a great need for it. This will permit us, most of all, to completely avoid the loss of produce which is fully quality-standardized, but which lacks commercial appearance. At present some such produce will inevitably appear during long-term storage.

It is planned to establish a shop for starch production at Lilo with a 100-ton per day capacity and a preservation shop with a packing section which will turn out a million standard jars of preserves a year. Unfortunately, the periods when these facilities were to have been put into operation passed long ago, and a great deal of work remains to be done. The situation can be partially facilitated by intensive use of the treatment facility at the old Center. Here, potato starch, pickles, marinades and juice are produced. The work now employs 2 shifts. Of course, this small, poorly equipped facility cannot replace the new treatment shops.

Expanding the scale of produce storage has led to a number of other problems. Thus, far from all the varieties of potatoes and vegetables withstand prolonged periods well, even in refrigerated spaces. The produce, having come from various areas, required different storage conditions. Not all the problems affecting the comprehensive mechanization of work at the Center have been solved.

In general, there is still much to be done to improve standards of production. The creation of a special laboratory within the framework of the association has this purpose. Its workers are studying the organization and methods for storing agricultural produce.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

UDC 664.8:635.64

OFFICIAL DISCUSSES TOMATO PRODUCTS INDUSTRY

Moscow KONSERVNAYA I OVOSHCHESUSHIL'NAYA PROMYSLEL'NOST' in Russian No 4, Apr 80 pp 2-4

[Article by USSR Deputy Minister of the Food Industry V. S. Penenkov: "Tasks of Industry in the Area of the Production of Tomato Products"]

[Text] Fresh and canned tomatoes by right occupy one of the leading places among the most important food products of the population of most countries of the world. The high content of vitamin C, other vitamins, mineral and polyphenol components and the excellent taste qualities make them often irreplaceable in the diet of all social and age groups of the population. In the canning industry mass tomato products with a long storage life--paste, puree, juice, various sauces, canned whole tomatoes, marinated and pickled tomatoes--are primarily processed.

In 1978 in the system of the USSR Ministry of the Food Industry alone 2,598,000,000 conventional cans of canned tomatoes were processed, which is 33.5 percent of the total production volume of all the canned goods processed by the enterprises of the ministry, or 54.0 percent of all the processing of canned vegetables. In 1979 2,999,000,000 conventional cans of canned foods made from tomatoes were produced.

Concentrated tomato products (1,627,000,000 conventional cans in 1978, about 1.9 billion in 1979), the production volumes of which still do not meet the demand of the population, hold the leading place in the assortment.

The quality of tomato concentrates is improving, their production in small consumer packaging, which is convenient for shoppers, is increasing.

Unfortunately, although the production of tomato juice--a mass and popular drink--is increasing, the consumer demand for it has not yet been met. In 1972 552 million conventional cans of this product were produced, in 1978--719 million, in 1979--more than 800 million conventional cans.

Even less canned whole tomatoes are being produced: in 1978--55 million conventional cans, in 1979--about 70 million. Thus, in practice industry is not devoting attention to these valuable food products of the population.

The production of marinades from immature fruit has not been better organized.

Since canned foods made from tomatoes enjoy an increasing and unlimited demand of the population, the increase of the production volumes, the improvement of the variety and quality and the improvement of the processing method are the most important tasks of the workers of the canning industry. The brown, milky ripe fruit at the end of the tomato processing season can be procured annually in quite large quantities in the raw material zone of any canning plant. From them it is possible to produce well-known common pickles and marinades, which also are in demand, both of the pasturized variety, in a hermetically sealed glass jar, and in drums or larger containers for subsequent repackaging when being sold.

For many years now unprocessed tomatoes of various degrees of immaturity have been used more and more as a component of the canned (sterilized) vegetable salads Ukrainskiy, Donskiy, Dunayskiy, Kubanskiy and others. The standard technical specifications for the production of these and other salads were published in the new "Sbornik tekhnologicheskikh instruktsiy po proizvodstvu konservov" /Collection of Technological Instructions on the Production of Canned Goods/ (Volume 1), which appeared in 1977, and canning plants have every opportunity to use them.

New interesting proposals on the expansion of the nomenclature of such salads as applied to the conditions of a number of republics and oblasti have also appeared in recent years. Thus, in Tadzhikistan a salad made of green tomatoes and onions, in which tomatoes make up 75 percent of the total net weight and onions 20 percent, has been developed. A recipe for another national salad made of brown and red tomatoes, Achik-Chuchuk, has been developed and is being introduced in Uzbekistan.

The canning industry workers of Uzbekistan and Tadzhikistan have performed useful work in conformity with the specific conditions of the republics: the new salads proposed by them have received good ratings of the consumer, and the organization of their production in accordance with republic documents will be useful.

In speaking about the variety of canned goods made from tomatoes, it should be recalled that canned tomato products, especially tomato paste, should be the main raw material in the production of new canned goods. So far in this direction the work has boiled down to the production of well-known sauses (according to the prevailing documents there are nine of them--Kubanskiy, Chernomorskiy and others). But in 1978 the All-Union Scientific Research Institute of the Food Canning and Vegetable Drying Industry developed a new type of product--sandwich spread--which, in addition to tomato paste (51.5-60 percent), is made up of carrots, onions, starch, potatoes, vegetable oil, salt and spices. The sandwich spread has gained the recognition of consumers. The workers of the industry should also introduce this new type of canned tomatoes more extensively.

Thus, industry has valuable and promising types of products, which can be produced on an extensive scale.

When examining the interrelated questions of the quality of canned goods and the technology of their production first of all it should be noted that the conditions of tomato production in the sector in recent years have changed radically. And the main thing consists in the changeover of the agricultural technology of growing and processing the raw materials to an individual basis--the concentration of the growing of tomatoes on large tracts of land and at large agricultural production associations. Under these conditions the mechanization of practically all the agrotechnical production processes and, what is most important, the most labor-consuming process--the harvesting of the crop--is possible. Tomato harvesters are already becoming conventional equipment at many sovkhozes and kolkhozes, which supply fresh tomatoes to canning plants. In 1979 78 of these harvesters worked in the fields, while in 1980 there will be about 100 of them.

The Bel'tsy Machine Building Plant of the Moldavian SSR specializes in the production of tomato harvesters. A fleet of tomato-harvesting equipment, which is sufficient to ensure the harvesting basically of the entire crop of tomatoes in the zones of canning industry enterprises, will be developed during the 11th Five-Year Plan. The design of the harvester is also being improved in conformity with domestic and foreign operating experience.

The workers of the industry are faced with a great task--to prepare organizationally, technically and technologically for the uninterrupted receipt and processing of the entire stream of fresh tomatoes of the mechanized harvest.

The large-scale experiment on the introduction of advanced technology, equipment and the organization of the production of tomato products at the Grigoriopol' Association of Moldplodoovoshchprom merits serious attention and study. For three years domestic and foreign (U.S.) advanced know-how of the growing of fresh tomatoes and their processing has been undergoing assimilation at the enterprise. The experiment shows that, in spite of the unfavorable weather conditions during this period and the organizational difficulties, the use of the new organization, technology and equipment in the production of canned tomatoes can yield a very large economic impact. At the same time the dissemination of this advanced know-how at other enterprises will require in a number of cases the significant reorganization and reequipping of production.

The introduction of a new, improved procedure of the aseptic canning of tomato paste and other products should become one of the important solutions. In contrast to the well-known procedures for the aseptic canning and subsequent storage of tomato concentrates in containers holding 15-25 tons, vertical tanks holding 300 tons with an unloader, which makes it possible to carry out periodically the repumping of the sterile mass into transportation (truck or railroad) tank cars, without disturbing the aseptic storage conditions, have been installed at Grigoriopol'. This will make it possible

during various periods of the year to deliver the aseptically preserved tomato products to remote regions of the country for use in the trade network or in the system of public dining packaged in conventional consumer packaging with a limited storage life. This is how it is done, for example, in trade in packaged unsterilized vegetable pickles and sour vegetables of all possible kinds, which are sealed in glass jars. The repackaging of the products under aseptic conditions for creating some stocks at the points of consumption is also possible.

It is planned to set up in major cities in the zones of consumption large fruit and vegetable processing complexes, which will receive as the initial intermediate products aseptically canned (as well as flash-frozen, pasteurized and others) vegetable and fruit products and will produce locally in a diverse assortment food products for trade with allowance made for local traditions and the demand of the population.

The extensive introduction of aseptic canning will make it possible not only to improve the quality of the products and to reduce the input of labor, but also to save a large amount of scarce packaging materials, tin and glass containers.

Experiments similar to the Grigoriopol' experiment, but with the use of different conditions, have been organized at enterprises of the Ukraine, Krasnodarskiy Kray and elsewhere. They should also be studied closely and used in the work on the further development of the production of canned tomatoes.

At the same time there are still many unsolved problems in the very technology and equipment of the production of concentrated tomato products. Thus, in the raw material zones more and more tomatoes of new varieties, which are suitable for mechanized harvesting and have a denser consistence as a result of a higher content of cellular tissue in the pulp of the fruit, are being grown, which is causing the formation of burnt parts in the steamers and, consequently, is slowing the process of steaming and reducing the overall productivity of the lines and the quality of the tomato products. It is necessary to work out the production technology, the designs of the steamers and their operating conditions, as well as to specify the recommended varieties of tomatoes.

The old technology of producing tomato juice with sterilization in intermittently operating autoclaves is still being used in the industry at many plants. But at a number of plants, in spite of the lack of advanced flow-line equipment, they are introducing by themselves and at their own expense flow-line systems in the tomato juice shops. Such experience exists at the Crimea Order of Lenin Canning Combine, the Tiraspol' Order of Lenin Canning Plant imeni I Maya and other enterprises and merits thorough study and use where old equipment is in operation.

Unfortunately, the experience of producing canned whole tomatoes, especially from peeled fruit, is insignificant. Much still has to be done in order for these canned goods not to remain a rarity at food and specialized canned goods stores.

Steps are being taken to develop in the next two to three years a domestic line for producing canned goods made from peeled tomatoes.

Frequently the lack of a sufficient amount of the necessary technological equipment, which enterprises of the Ministry of Machine Building for Light and Food Industry and Household Appliances should supply, is cited as a factor hindering the development and expansion of the production of tomato products. This is indeed so. It is the incomplete furnishing of canning plants with modern, advanced equipment which is slowing the growth of the production of tomato juice, canned whole tomatoes and many other canned goods. However, the work experience of a number of enterprises makes it possible to believe that it is not always necessary to wait for the filling of the orders made for equipment, rather it is possible to manufacture individual devices or units at one's own expense and in creative cooperation with machine builders.

The innovation of our inventors and rationalizers, who have provided many new, at times complicated highly productive devices and machines, should be welcomed. Questions of the development of new canning equipment were raised well, for example, at Moldplodoovoshchprom under the guidance of Deputy Chairman A. Ye. Kolbas, at the Odessa Odesskplodoovoshchprom Agricultural Production Association under the guidance of Deputy General Director A. A. Gromov, while the name of Deputy General Designer of the Odessa Canning Plant N. S. Feshchenko, who proposed a number of ingeniously designed machines and units, which are used in the production of canned vegetables, is now widely known at all canning plants of the country.

And there is another important question--the question of personnel.

The production of tomato products is notable for a high level of equipment and technology. The highly productive complicated steaming equipment, the electronic regulating instruments, the aseptic method--all this requires of the engineers, technicians and workers not only a high general educational level, but also the earnest mastery of special questions. Not only the productivity of the shop and the quality of the products being produced, but at times also work safety depend on the level of the theoretical and practical training of the instrument control man or the brigade leader. But our tomato shops are provided with adequately skilled personnel far from everywhere. Their training at higher and secondary specialized educational institutions and in various courses, which are organized at the plants, especially during the period of preparation for the tomato processing season, requires improvement. As practice has shown, all the expenditures on course instruction are repaid a hundredfold. It is necessary to retain the taught and trained workers and engineering personnel, to create for them the conditions for normal productive work and not to allow a turnover, which, unfortunately, is frequently observed, especially during the period between seasons.

In conformity with the decree of the November (1979) CPSU Central Committee Plenum it is necessary to pursue a policy of increasing efficiency and work quality, to focus particular attention on the increase of labor productivity

and the acceleration of the intensification of production on the basis of scientific and technical progress and the improvement of planning. It is important to find and put into effect all the reserves for increasing production, to expand the output of high quality products, to achieve the fulfillment of counterplans and socialist obligations and to disseminate valuable initiatives and advanced work methods. In this lies the guarantee of the fulfillment of what has been planned.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

USE OF AGRICULTURAL BY-PRODUCTS DISCUSSED

Moscow EKONOMICHESKAYA GAZETA in Russian No 9, Feb 80 p 16

[Article by V. Valeyko, candidate of economic sciences (Tbilisi): "If Initiative is Shown"]

[Text] Enterprises of the Georgian food industry annually process a large quantity of agricultural raw material: fruits, grapes, tea leaves, citrus fruits and other products. There are large amounts of by-products formed in the process of production. Incidentally, they can only conventionally be called by-products. They are actually secondary material which is suitable for manufacturing products needed by the national economy. The utilization of such raw material is a significant reserve for increasing the output of such products as vitamins, protein, oil and feed for animals. Fuller utilization of the raw material is economically advantageous for the enterprises as well.

One can judge the amounts of "hidden" reserves from the example of the canning industry. At these enterprises up to 25-30 percent of the agricultural raw material goes for by-products (mainly partially damaged or spoiled fruits, tops of root crops, pods, fruit stems, skins and seeds, pits, and husks).

For instance, when tomatoes and fruits are processed seeds and skins remain which contain up to 30 percent oil. Last year it was possible to obtain about 500 tons of dry tomato seeds. This quantity is enough to produce almost 100 tons of oil. The processing of fruit skins is no less productive.

The oil obtained this way is a full-value substitute for nutritive fats which are used in the lacquer and paint and soap industry for preparing various kinds of enamels, laquers, putties and other substances. Let us emphasize that at the present time about 450 tons of nutritive fats are being used for these purposes in the republic.

And secondary raw material is not put to use. Workers of the canning industry justify themselves by saying that to transfer valuable by-products to

enterprises where they are used in production requires additional expenditures for storing and preparing them for industrial processing. As for the utilization of tomato seeds, canning workers consider this generally impossible since they settle out at certain enterprises. Therefore, at best, the seeds are used to feed livestock or poultry.

Yet economic calculations show that the required expenditures are not great and the result (even if one thinks only of the interests of the enterprises themselves) is quite appreciable. Thus the installations for drying seeds at the Gori, Kutaisi and Samtberdia canning plants which process tomatoes will make it possible to reduce the production costs of the basic products by 0.85 percent. It has been established that expenditures will be recouped at the Gori and Kutaisi plants in one season, and at the Samtberdia --in a year and a half. Consequently the entire question consists in displaying economic initiative and being enterprising. It seems that we do not have enough of these qualities.

The same thing can be said about the problem of utilizing other kinds of secondary raw material in the food industry. Thus pressed residue is formed in the production of fruit and berry juices, canned goods and wine. They comprise an average of 30-40 percent of the initial raw material. The possible resources of by-products from the processing of fruit raw material at enterprises of the canning industry in Georgia will amount to about 59,000 tons this year and 77,000 tons in 1985.

But how are they being utilized? At enterprises for fruit and berry wine-making about 2 percent of the pulp residue goes for feeding large-horned cattle and the remainder is thrown away. Almost all of these by-products can serve as excellent feed for animals after simple processing. The pulp residues are also suitable for obtaining a valuable product: pectin, which is needed by the food and pharmaceutical industry.

The Odessa canning plant imeni Lenin has experience in producing pectin concentrate from by-products. There is a special plant of this profile in operation in Moldavia. The creation of pectin shops is also justified in the system of the Georgia Ministry of the Food Industry.

Essential oil crops occupy an important place in the structure of the planted areas of the republic. Many by-products remain after processing sunflowers, tung, and basil. Eight years ago an attempt was made to arrange the production of feed meal from sunflower husks at the Ochamchira oil extraction plant. About 140 tons of this product were produced at that time. But soon the processing of the husks was curtailed.

As the practice of animal husbandry workers in the Ukraine and Moldavia shows, feed meal made of husks is an excellent supplement to the ration for large-horned cattle. Let us emphasize that no special equipment is required. It is sufficient to have a standard AVM 0.4 aggregate which combines a dryer, a crusher and auxiliary equipment.

By-products from essential oil raw materials can be used in the most diverse ways. The additional of 3-5 kilograms of phosphatides to a ton of chocolate provides for a savings of up to 20 kilograms of cocoa oil and all of the taste and quality indicators of the final product are preserved.

The Scientific Research Institute of the Construction Materials Industry of Georgia has given us the answer to the question of how to transform by-products from essential oil raw material into cement fiberboard. The material manufactured on the basis of the technology they have suggested surpasses the 350 brand of fiberboard 3-fold.

- In 1971 the Marneuli Essential Oil Sovkhoz-Plant organized the production of feed meal from by-products. The plan for obtaining it was developed by the Georgian branch of the All-Union Scientific Research Institute of the Mixed Feed Industry with the participation of the Scientific Research Institute of the Food Industry of Georgia. There are also other technological methods of producing feed meal. But so far this business has not become wide-spread.

On tea plantations of the republic during the period when the bushes are trimmed in the winter and fall a significant quantity of sub-standard leaves remain. These were previously used for preparing caffeine. There is now a new technology for preparing caffeine and the coarse tea leaves--a total of about 200,000 tons--are not processed. The by-products from the tea industry itself are not used either and they amount to 3,000 tons a year. The production of instant tea has been developing in recent years. There is a large demand for it among the consumers. Instant tea can be successfully manufactured from sub-standard raw materials. A new method has been developed by the Institute of Biochemistry of the USSR Academy of Sciences in conjunction with the All-Union Scientific Research Institute of the Tea Industry.

Sub-standard leaves are suitable for manufacturing powdered tea which is as good as ordinary tea in terms of its quality indicators. There is also one new kind of product--a syrup like concentrate of black tea. The technology for producing this product was created by specialists of the All-Union Scientific Research Institute of the Tea Industry. A semi-manufactured batch of the syrup like black tea with sugar underwent a "test" at the central tasting commission for the tea industry of the USSR Ministry of the Food Industry.

What is the situation now with respect to the utilization of sub-standard tea raw material? The first experimental batches of soluble tea were produced by the Anaseulskiy factory. Unfortunately this is all so far. The organization of the production of tea--soluble and powdered--at large enterprises of this branch of industry in the republic would make it possible to produce tens of millions of rubles' worth of tea annually.

CONSUMER GOODS PRODUCTION AND DISTRIBUTION

NEED FOR SYSTEM OF ECONOMIC INDICATORS IN PLANNING

Accurate Plans, Substantiated Estimates

Tallin SOVETSKAYA ESTONIYA in Russian 25 Mar 80 p 2

[Article by E. Truve, chief economist of the Estonian Ministry of Consumer Services, and Yu. Sillaste, candidate of economic sciences, deputy director for scientific work of the Planning and Technological Institute of the Estonian Ministry of Consumer Services: "Accuracy of Plans and Substantiation of Estimates--To Improve Management Methods"]

[Text] It is still not certain as to when practical implementation of measures to upgrade the management mechanism will start in the area of consumer services, but we believe that these problems should be resolved following industry and construction.

With reference to the consumer services area, it should be noted that the desired results would not be obtained here by copying industrial methods of upgrading the management mechanism. Consumer services have their own socioeconomic purpose, content and functions.

Let us consider, for example, the indicator of net production and range of application of its modifications. Unlike industry, enterprises of consumer services make rather wide use of customers' materials (fabric, wool, building materials, etc.). It would appear that there is nothing wrong with this, for additional resources are drawn into the sector. However, specific difficulties arise: If the cost of material is not included in plan implementation, some workers sometimes relegate supply thereof to the client, especially since enterprises of consumer services have a small amount of circulating capital.

However, from the standpoint of economics, it is more advantageous for the enterprises to relegate supply to customers. Let us consider, for example, the following situation: There are two consumer services combines that produce rugs in this republic, which are about the same in production capacity. The difference between them is that one manufactures rugs mainly from customer materials and the other, from material

in stock ["fund material"]. One would think that the latter operates better, at least from the client's point of view. But the profit figures indicate the opposite. We do not have to look far for the reasons. When a customer comes to the workshop with material, the enterprise does not have expenses for procurement, transport, storage, etc.

We are not saying all this to discredit the net production indicator in consumer services. Taking stock of fulfillment of a plan solely on the basis of expended labor did not yield bad results in the case of repair of consumer goods equipment, radio and television equipment and in the area of motor vehicle servicing. The amount of work decreased significantly after the planning and accounting indicators were changed with respect to replacement of various units and parts. Now craftsmen are more concerned with repairing faulty parts of consumer equipment, rather than replacing them with new ones, which is cheaper for the customer. We should merely like to stress that, when taking some economic indicator as the work basis, it should be used creatively, with a differentiated approach, depending on the type of consumer service, in order to have the interests of the customer and enterprise coincide as much as possible.

In his works, Academician N. Fedorenko singles out large-scale economic and organizational experiments as one of the most important prerequisites for refining the management mechanism, in order to develop new and more effective methods of management, planning and incentives. It can be stated that our ministry devotes much attention to these matters. For consumer services is a rapidly developing, dynamic system. But the old proverb, "look before you leap" ["measure seven times before cutting"], is particularly apt here.

After a comprehensive analysis, the ministry submitted proposals to the Estonian Council of Ministers and Gosplan to refine planning and relevant indicators for this sector; after examination, they were submitted to central Union agencies. Some of our proposals were qualified as interesting and promising. As a result, this republic's agencies and enterprises were granted the opportunity to determine their own plans for volume of consumer services, according to type. This made it possible to take more flexible and fuller consideration of local consumer needs, to plan development of the consumer area as a whole in the republic and different regions. There will be more rational use of production capacity, particularly at times when fewer orders are received from the public. There will also be an improvement of financial and economic indicators of enterprises in this sector.

Thus, the results of work in January revealed a rather encouraging growth in volume of consumer services for a number of enterprises. But, of course, here too, there are some hidden flaws. For this reason, experience and time will provide the final evaluation.

We know from the knowhow of industry that intrasectorial cooperation is an effective factor for increasing effectiveness of production. But, here too, there are specific features in the field of consumer services. We refer to specific individual consumer orders, that must be filled within the time prescribed by service rules, rather than various intermediate products, parts and units. As we know, these schedules are very tight. For this reason, one must assure that the enterprises operate in a coordinated enough manner to enable them to fill clients' orders promptly. Since the start of 1977, there are rules at the ministry for intrasectorial cooperation and standards, which regulate the financial relations and records of fulfilling plans among enterprises.

Implementation of the principles contained in these documents gave some impetus to expansion of relations for cooperation, but they expanded more slowly than needed under present conditions. For this reason, at a recent meeting of the board of the ministry, the state of affairs in this area was analyzed. In particular, it was decided to make some changes in the existing standards, which would stimulate the work of enterprises taking orders from the public and increase the economic interest of enterprises filling these orders. At the present time, the entire sum of proceeds from work that was performed is credited in full to the plan of the enterprise that took the orders. At the same time, a planned assignment is added on intrasystemic cooperation for enterprises filling orders, implementation of which is strictly considered when prizes are awarded to management.

For a number of years, the ministry implemented extensive measures to specialize and concentrate production. Everyone knows of such enterprises as the Elektron, Kiyr associations, Tallin and Tartu administration of construction services, plant for the overhaul of consumer machines and others. Already at the start of this year, specialized enterprises provided over 50% of the total volume of services. Last year, the Tartu Custom Made Clothing Factory and Express KBO [consumer services combine, or personal services combine] were started up. The system of motor vehicle maintenance ["avtotekhnobaluzhivaniye"] has been reorganized, and branches of the chief enterprises were opened in Tartu, Kokhtla-Yarve, Khaapsalu and Pyarnu.

As we see, broad changes are taking place in the structure of this sector. As we observe the trends, we can conclude that there is still much work in store to deepen concentration and specialization on a qualitatively new level. Evidently, it is expedient to change to specialization already on the basis of the functional feature (production--services). This means that receipt of orders and direct services to the public would be concentrated in enterprises of the same type, while the manufacture, i.e., production proper, would be concentrated in enterprises of another type. The former are regional [rayon] enterprises with a broad network of complex reception centers at their disposal. The latter are

enterprises under republic jurisdiction with branches in different regions. Of course, various departments are retained locally, which render routine services: bath houses, photographic studios, beauty parlors, etc.

Such experience has been gained in RSFSR and the Ukraine. There, so-called rayon production administrations have been created. At the present time, the ministry has examined this knowhow and plans to conduct a relevant economic experiment in one of the rural rayons, in close collaboration with local government bodies.

The competent advice of scientists is required to obtain an optimum solution for such complex problems and derive substantiated conclusions. We refer, first of all, to the Institute of Economics, Estonian Academy of Sciences, and the Tallin Polytechnical Institute. No doubt, the decree recently adopted by the Estonian Gosplan, which will organize economic experiments in this republic, will also have a beneficial effect. The pertinent interagency commission will be charged with organizational and methodological supervision of such experiments.

This does not mean, of course, that one has to rely only on "third parties." The Planning and Technological Institute of our ministry has a large job to do. Recently, the ministry's council for science and technology approved a program for scientific and technological research up to 1985. Its most important elements include development of the main principles for refining the structure of this sector (1980), development of proposals to upgrade the system of indicators of financial and economic performance of enterprises on the basis of an economic management experiment (1980-1982), as well as development of the optimum sectorial infrastructure (1982-1984). All of these projects evolve directly from the decree of the CC CPSU and Council of Ministers pertaining to refinement of the economic mechanism.

Yardsticks of the Future

Moscow PRAVDA in Russian 29 Mar 80 p 3

[Article by N. Krasyuk, candidate of economic sciences, director of the Russian Center of the Institute of Scientific Organization of Labor, Management and Rationalization of Tsentrsoyuz (Central Union of Consumers' Societies), and V. Rutgayzer, doctor of economic sciences, department head at the Scientific Research Institute of Economics under the USSR Gosplan: "According to Yardsticks of Tomorrow--Referring to a Previous Topic"]

[Text] At the present time, the "main arbitrator" in trade, the sales turnover plan, is essentially the same "notorious tidal wave." As we know, use thereof in industry--be it the indicators of commodity production or volume of sales--did not provide for the necessary concern of plants and

factories about the end results of labor. Net production which characterizes an enterprise's actual contribution to the national product, is a much more accurate and basic yardstick of the achievements of industrial groups. The contribution of trade to the national product is, as we know, also characterized by the volume of net production. It consists of the remuneration for labor and profit of trade enterprises.

In the article, "Taking Demand Into Consideration" (PRAVDA, 18 February), it is correctly stated that there is a need to refine the system of indicators evaluating management (economic) activities of trade enterprises. In our opinion, one can determine the achievements or flaws of shops, coffee houses and lunch rooms, which means that one can constantly check the volume of sales of specific groups of goods not only in rubles, but in a full assortment. With such an approach to the matter, there will be an unquestionable increase in responsibility of wholesalers for delivery of needed goods to stores, which will also be interested in selling all goods, not only expensive ones, but cheap ones, and not only scarce ones but those available in an adequate assortment.

Thus far, however, trade has given preference to the more expensive wares. Fulfillment of the sales turnover plan depends in such goods to a significant extent. And the quality of services and meeting the demands of the public are automatically relegated to the background.

Here are the results of a recent check of shops under the Tatar Consumer Union: The most commonly encountered infractions are referable to the absence of merchandise for sale, of which there are adequate amounts at the wholesale bases. Many rural shops are loaded with refrigerators, bicycles, vacuum cleaners and various sets of dishes, but no trivial items, without which one cannot do in everyday life. Thus, in the village of Spasskoye, Bugul'minskiy Rayon, there were no aluminum pans, teaspoons, jugs [cans], scissors, pitchforks or scythes at the Promtovary store, but an abundance of expensive overcoats made of synthetic leather and wardrobes. Of course, by selling the latter it is easier to fulfill the sales turnover plan than by selling, let us say, sieves.

Here is another example: At the "Consumer Goods" shop in the village of Kakhovo in Zainskiy Rayon, there were field glasses (costing 72 rubles a pair), accordions, women's winter coats with mink collars priced at 200 rubles for sale, but no matches, cups, vegetable oil or other "incidentals." Yet there is no problem in obtaining all this, there was a surplus of such goods stored at the Zainskiy Interrayon Wholesale Center. It was simply that the shop employees had no interest in dealing with "trivia." In our opinion, continuous sale of the latter would result in a new rating indicator.

We have already accumulated some solid knowhow in planning sales of different items. Using these yardsticks, the operation of wholesale centers, department stores and retail trade organizations can be assessed,

and such an indicator is also taken into consideration when summing up the results of socialist competition. Adherence to a minimal required assortment of goods is also a form of controlling the passage into the buyer's hands of commonplace consumer goods. This is checked by the Main Administration of State Inspection of Quality of Goods and Trade.

But, in spite of the rather rigorous demands made of sellers, expressly this type of merchandise is often missing in the stores, since the sales turnover plan, the "chief judge" in this sector, by no means influences the degree to which consumer demands are met.

It is imperative to tie in assignments pertaining to the sale of goods in a specific assortment with the remuneration of trade workers, for which purpose one must change the accounting of labor expenses in this sector. In essence, at the present time there is no substantiated system of rating the actual efforts of a salesperson to sell various goods. No one can say how much labor has to be expended to sell, for example, items made of gold and vegetables, chocolate and milk, a color television and groceries. Yet one must also know the structure of expenses: for example, the correlation between labor of skilled consultant-salespersons, cashiers and merchandizing specialists.

In order to set up proper records of the results of trade activity, one must first learn to assess its most important element, actual labor expended to sell goods. The indicator of standard net production serves this purpose. Of course, some preliminary scientific research, which will determine the actual labor expended to sell goods referable to a specific assortment, will be needed to adopt this indicator in economic practice. Evidently, it is now time to set up work in such a manner that would preclude separation of goods into profitable and unprofitable by sales persons.

We believe that the indicators of normatively net production should be scaled to the physical characteristics of sale of goods (for example, per 1000 pairs of shoes, separately for men, women and children). Such an approach would compell trade enterprises to pay more attention to availability of the mandatory assortment of goods. This would also eliminate separation of goods into profitable or unprofitable from the standpoint of price. An equal effort to sell different goods would make an equal contribution to formation of the volume of normatively net production.

Awarding of prizes to trade employees will be more effective: in essence, it will be directly related to the quantity of goods sold. Incidentally, in some socialist nations, the size of a bonus [prize] is determined by the quantity of goods sold, rather than fulfilment of sales turnover plan in its monetary expression.

Introduction of the indicator of normatively net production will make possible a more objective evaluation of the manpower requirements of the sector, since the new "arbitrator" reflects more accurately the dynamics of live labor expenditure. Moreover, it would stimulate interest of enterprises in reducing labor-consuming sale of some goods or others. According to the estimates of specialists, only 50% of the increase in retail sales turnover over the last 15 years was attributable to increased productivity of labor. The other 50% of the increment was achieved by increasing the number of sales personnel. This is a less beneficial proportion between factors of development than in industry, construction and agriculture. If such a proportion persists, by the end of the 1980's approximately 4 million more people will have to be used. But the conditions of formation of the balance of the work force in the next period precludes this entirely. Here too, the indicator of normatively net production can be helpful, as it will really make the trade enterprises interested in saving manpower resources.

Of course, introduction of a new "arbitrator" by no means signifies that the indicator of fulfilment of the sales turnover plant should be eliminated. The latter is needed for many economic estimates, in particular, to prepare the balance of the public's monetary income and expenses. As for accelerating sales, the complete solution to this problem requires an intersectorial approach. Industry should also be interested in expediting turnover of goods. This can be achieved only if both industry and trade receive a part of the incentive funds in accordance with the final sale of commodities. Evidently, distribution of profit among industrial and trade enterprises should preferably be made only on the basis of performance for the year.

Or, let us consider, for example, payment into the budget of turnover tax. A significant part of this tax is deposited there as soon as the goods are manufactured. Thereby, the finance workers are relieved of further concern about selling the goods. Obviously, they would have a different approach if the budget would receive the taxes from turnover only as the goods are actually sold.

In order to most fully meet the demands of buyers, we need the same complex refinement as in industry of the system of indicators used to evaluate the economic performance of trade enterprises.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

BETTER RELATIONS BETWEEN COOPERATIVE TRADE AND INDUSTRY URGED

Moscow EKONOMICHESKAYA GAZETA in Russian No 4, Jan 80 p 16

[Article by A. Pleshev, chief of Mezglavkooppromorg, candidate of economic sciences, "The Facets of Influence"]

[Text] Consumer cooperatives have an important place in solving one of the social tasks of the party and government—more complete satisfaction of the Soviet people's demand for consumer goods. I note that in the last eight years alone, the sale of cultural and domestic goods at the consumer cooperatives of the RSFSR alone has grown on a per-capita basis by 63.4 percent.

However, as was stressed again at the November 1979 Plenum of the CPSU Central Committee, there are still significant shortcomings in satisfaction of demand.

A justifiable reproach was heard from the rostrum of the Plenum, addressed not only to those who produce goods but also to those who sell them: "It is the direct responsibility of trade to influence manufacturing much more actively; to acquire from industry those goods which the consumer actually needs; and to make more effective use of resources."

These remarks are completely applicable to cooperative trade as well.

What sort of levers does cooperative trade possess for this?

Claims and orders for manufacturing, wholesale trade fairs, business contracts, control over observance of contract discipline, use of economic sanctions against suppliers for violation of the conditions for supply and quality of production... Such is the arsenal of weapons of cooperative trade in improving ties with manufacturing.

The decree of the CPSU Central Committee and USSR Council of Ministers on perfecting the economic mechanism envisages putting into practice the concluding of five-year agreements between the main administrations of the USSR Ministry of Trade (with the wholesale organizations of the union republic ministries of trade) and the industrial associations (with the main administrations of the ministries). These contracts must stipulate those very

important elements which guarantee more complete satisfaction of the demand of the populace. Among these are, renewal without fail of the goods assortment; increasing responsibility for filling the orders of trade organizations; and the last, for presenting these orders.

It is also necessary to speak of such factors as establishing prices for the first experimental lots of goods, and especially fashionable articles; and differentiation of trade markdowns, depending on the quality and the consumer characteristics of the goods in consideration of the accumulated demand for them.

All of these very important elements are of direct concern to cooperative trade as well. Their importance was noted in the decree of the CPSU Central Committee and USSR Council of Ministers, "On Further Developing and Improving the Activities of Consumer Cooperatives."

As they work out their drafts for five-year contracts, the USSR Ministry of Trade and the industrial ministries, associations and enterprises which produce consumer goods are instructed to enlist the services of Tsentrosoyuz and the Potreboyuz's of the union republics in this work, in order to more fully consider the peculiarities of the rural population's demand for goods; and to strengthen the influence of consumer cooperatives on the assortment and quality of the articles manufactured by the industrial enterprises.

Feedback is required.

As they study demand and process orders, the wholesale organizations utilize statistical data according to commodity groups, which they give to the retail enterprise by means of form "3-Torg." However, these data contain no information on sales or on the remaining amounts of individual items according to their assortment criteria. Therefore, the trade organizations do not have data available on the sale of goods in the assortment as they make up their orders. The assortment of radio-gramophones and radio receivers, for example, runs to 45 items, but they are all counted on one line—"radio wares." And these, by the way, include autotransformers, equalizers, loudspeakers, antennas, batteries, and so on. Bicycles, motorbikes, motorcycles and motor scooters are delimited under sporting goods. The remaining 700 items in the assortment are also counted on one line—"sporting goods."

Thus, all the accounting (by amalgamated groups) goes only one way—to the statistical organs. But what are wholesale and retail trade to do in such a case?

Wholesale facilities which supply a range of goods to retail trade possess detailed information on their amount, dimensions, styles, models, colors and other criteria. But, since there is no feedback, since the existing scheme for passing accounting information bypasses the wholesaler, he willingly or unwillingly finds himself cut off from receipt of any sort of information. That same form, "3-Torg," goes from the store to the raypo [rayon consumers' society], then to the oblast potreboyuz and Rospotreboyuz. But the whole-

sale section does not even have this amalgamated account, to say nothing of a detailed one. And without it, it is difficult (if it is possible at all) for the wholesale bases to make optimum commercial decisions or to organize the range of goods in the retail system.

Cooperative trade hopes that the All-Union Scientific Research Institute of the Economics of Cooperative Trade will take up the study of this problem, which was established at the facilities of TsNIIIS [Central Scientific Research Laboratory of the Match Industry].

How much to amass; how to ship it?

In recent years there has been noticeable growth in the sale of radio wares, television sets, sport and other cultural-recreational articles in the rural areas. And they are ordinarily sold in the last quarter of the year and the first quarter of the next year. The greater share of the motorcycles, motor-scooters, bicycles and motorbikes sold falls in the second quarter. Skis, skates and certain other sporting goods are in demand primarily in winter, and Christmas tree decorations—only in December. "Rush hour" for sales of paper supplies and student writing materials falls in the third quarter. As they say, you can't get away from it; such is the influence of the seasons on trade.

The way out is to accumulate significant reserve stocks of goods prior to the start of the season. But in this case the turnover of goods slackens, which is very costly to the trading organizations. Institutions of Gosbank levy two percent per annum on credit for reserve stocks of seasonal goods, and five percent for above-normal stocks; this does not stimulate wholesale organizations to lay up seasonal goods.

One would think that for economic self-interest the manufacturing enterprises would offer additional trade discounts on the strength of reimbursement for storage of goods. But another variation is possible as well—the establishments of Gosbank, USSR, could offer the wholesale enterprises credit at no cost for storage of seasonal goods.

The retail trade system of the consumer cooperatives is supplied with consumer goods via a large number of wholesale receiving bases (which ship the articles according to minimum norms, in three to five ton containers and dual axle freight cars).

Recently, the industrial enterprises changed over to shipping goods in 20-ton containers and four-axle freight cars. But the receivers have begun to turn down the goods supplied in large containers. The organs of gosarbitrazh [State Arbitration Commission] of such receivers (the wholesale offices and bases) do not support this and are refusing to levy fines on the suppliers, since in accordance with the regulations they bear responsibility only within the limits of the plans for transfer, which are approved according to standard procedure.

In our view, the methods of transfer of individual articles in consumer cooperatives must be reconsidered; one or two bases in each oblast, kray and republic (ASSR) potrebsoyuz should be assigned to receive large lots of goods in the manufacturer's assortment, and re-organize them for trade assortment. Then they would supply them directly to the retail trade enterprises and the wholesale sections of the rayon consumer societies, in all varieties of assortment and with optimum frequency of supply of goods.

Is the system of control reliable?

At the present time, 260 quality control laboratories are operating in the system of consumer cooperatives in the Russian Federation. More than 3,000 persons are occupied with formal acceptance of goods. Their workload is exceptionally large: Suffice it to say that during only nine months last year they presented claims in the amount of 10.2 million rubles to production enterprises and supply bases for supplying poor-quality goods. A significant portion of the defective goods were returned to the suppliers.

But this is not yet all. Tens of thousands of road vehicle units, which occasionally must "run" a very great distance, are used to return the poor-quality goods to the supplier.

Today, the quality of consumer goods is checked at all stages—at the producer, at the purchasing and trade facilities, and at the retail trade enterprises. This requires hiring a large number of specialists, and a lot of time and resources.

It would be good for Gosstandart, Tsentrosoyuz and other interested departments to sit down at the "round table" in order to work out a less cumbersome and more effective system of checking the quality of goods, which would create a barrier against the penetration of poor-quality goods into the system of trade.

It might be effective to create well-equipped quality control laboratories at the level of the Tsentrosoyuz or at least the republic consumer societies, and at the same time establish an institute for trade representatives, in order that formal acceptance of goods according to quality would be done at the manufacturing enterprises and certified with the stamp of the trade representative.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

PROBLEMS IN MANAGING COMMODITY SUPPLY DISCUSSED

Moscow PLANOVOYE KHOZYAYSTVO in Russian No 12, Dec 79 pp 83-89

[Article by Doctor of Economic Sciences Professor B. Gogol': "Problems of Managing Commodity Reserves"]

[Text] The availability of various kinds of material reserves is one of the important conditions in the successful performance of public production. Reserves are a necessary condition for insuring continuity of production and circulation. Stocks are classified into various types: reserves of raw materials, materials, semi-finished products and other material assets in the production sphere, consumer goods in circulation and finally state reserves.

Developed socialist society has its own laws governing the formation and movement of reserves. The most important of them is the planning principle which makes it possible to manage these reserves and make use of them in order to regulate and monitor the process of public production.

In speaking of the constant fluctuations in supply and demand, K. Marx wrote: "These fluctuations can be averted only through the vehicle of constant relative overproduction; in so doing, on the one hand, society produces a certain amount of fixed assets over that which is needed; on the other hand, a reserve of raw materials, etc., is created above the needs of the current year. Such a type of overproduction is equivalent to society's monitoring the material means of its own reproduction."¹

Expanding the scale of production leads objectively to an increase in output reserves in absolute terms; however, under capitalist market conditions a relatively ever greater share takes the form of a commodity reserve. Aggravation of the contradictions of the capitalist economic system under current conditions can be seen in the considerable increase of commodity reserves, when they serve not just as a condition of continuous sale but also as the result of the inability to effect the sale of goods.

1. K. Marx and F. Engels, Works, Vol. 24, pp 532-533

In a developed socialist society the planned relationships of the first and second subdivisions of public production and the interbranch relationships within these subdivisions result in direct forms of distribution, a situation which corresponds to the demands of production. This makes possible a relatively low level of capital goods stocks needed only to insure continuity of production and its constant expansion. As concerns commodity reserves of consumer goods, they serve to guarantee not only uninterrupted satisfaction of immediate needs but also to generate constantly changing new needs in accordance with the tastes and needs of each member of society.

A constant reduction of the share of commodity reserves in the economy in the circulation sphere in general public stocks of commodity-material assets is a characteristic tendency in the movement of stocks in our country in recent years. If in 1960 commodity reserves totaled 48.4 percent of all economic stocks, in 1965--46.2 percent, in 1975--39.3 percent, in 1977 their share was already as low as 38.2 percent. At the same time the share of production stocks is increasing, a phenomenon characteristic of the developing processes of specialization and subcontracting among enterprises.

Increases of commodity reserves in the economy and also goods in the hands of consumers result from expansion of production, goods circulation and a growth in personal consumption. Many economists view this as an indicator of the accumulation and growth of national wealth (Ye. A. Tselykovskaya, Yu. P. Gryzanov, A.I. Paynitskiy, and others). If one adheres to this point of view, one will find that the greater the stocks of raw materials, materials and goods, the greater will be the savings which can then be used for further expansion of production. On the contrary, delays in the movement of goods and increases in the time spent in the circulation channels retards production, since it demands that goods be sold more quickly to make room for new items.

Therefore, not an increase but a reduction in circulation time promotes increases in production and thus in the growth of savings and the national wealth. Commodity reserves and their structure should correspond to changing demand and guarantee continuity and regularity in the circulation process. A shortage of goods just like the formation of excessive reserves is a phenomenon which negatively influences production and consumption. The rate of money circulation depends considerably on the size of stocks of consumer goods. A slowdown in circulation time requires additional funds.

Goods shortages cause a disproportion between the volume of goods and money, one which results in excessive money continuing in circulation, a phenomenon which negatively affects both the conditions of commodity sale and the material incentives for labor in public production.

Commodity reserves should reach certain volumes in order that they, as K. Marx wrote, "correspond to the volume of demand in a fixed period of

time. Here one needs to take into account a constantly expanding group of customers."²

It follows that excessive accumulation of goods is inadvisable from the process's material-physical and cost viewpoint. The circulation channels receive a product ready for consumption, the price of which over the course of time not only does not increase but in fact decreases under the effects of time and as a result of obsolescence. In addition, while such a product is in the circulation channels, the reserve blocks the way for new output to gain access to them, a phenomenon which results in channel blockage, reduction in product variety and production slowdown. On the other hand, outlays for circulation funds increase, which in effect means that investments in fixed assets are inevitably reduced and along with them the rate of production.

The tendency to reduce the share of commodity reserves as compared to the overall number of reserves in the economy is a valid one. It is more advantageous for society to increase reserves of raw materials, materials and productive capacity than items ready for consumption, since the rate of technological progress invariably accelerates and popular demand changes under the influence of both objective and subjective factors.

Establishing reserve standards and maintaining them at optimum at all stages and levels of the reproduction process should be a requirement of stock management. Certain capital investments are required to maintain and store consistent commodity stocks: modern, equipped storage facilities, warehouses and stores, working capital and overhead expenses are needed. Since along with output increases stock volume grows in absolute terms, relative economy of these expenses and more effective utilization of material resources associated with stock accumulation and storage acquire great importance.

Let us examine overhead expenses in the retail network. They include (with a certain degree of arbitrariness) all types of product losses, direct expenditures associated with finishing work, sorting, packaging, storage, maintenance of refrigeration units, and also those associated with the maintenance and repair of storage facilities. At present the overall annual cost of these expenses on a national scale is over 6 billion rubles. These expenses are increasing from one year to the next in absolute terms.

It is standard practice in planning and economic calculations to determine the level of such expenses, as for all product circulation costs, as a percentage of the rate of commodity turnover. In the retail network this indicator over a ten year period (1965-1975) increased from 1.74 to 1.88 percent (1977--1.85 percent), and in absolute terms 1.2-fold. However, the actual calculation of the level of expenses for stock storage should,

2. K. Marx and F. Engels, Works, Vol. 24, p 166.

in our opinion, be determined not relative to the rate of commodity turnover, but to the volume of the reserve stocks themselves, taking into account the period of circulation. The results of a comparison of these indicators for the retail network for recent years are listed in the table.

Year	Commodity Reserves		Storage Costs	
	Mil. Rubles	Days	Mil. Rubles	Percent of Stocks
1965	26,381	96	1,648	6.24
1970	35,253	88	2,537	7.20
1975	45,420	84	3,687	8.58
1978	48,688	79	4,008	8.58
1978 as a percentage of 1965	184.6	82.3	243	137.0

Thus, for an 84.6 percent growth of reserve the expenses associated with maintaining them increased 2.4-fold, a situation which resulted in a 37 percent increase in the level of such expenses. But at the same time the circulation time was reduced, allowance for which yields not a 37 by a 67 percent increase. Thus, stock maintenance is becoming more and more costly with each passing year.

The overall reduction in stock levels (from 96 to 79 days) notwithstanding, a considerable share of goods unsold by reason of their non-conformity to popular demand due to low quality, non-conformity to current fashion, etc., is systematically placed in storage within the retail network. A quite considerable price discount on these items is needed for them to be sold. Funds for price discounts are generated through deductions from trade network profits in the amount of 0.5 percent of retail commodity turnover (in 1978 this totaled 1.2 billion rubles) and one-time supplementary allocations from the national budget. On the whole, in spite of the current practice of earmarking half of the discount fund for the trade network budget, approximately 1 billion rubles is expended annually for product discounts, an expense which should rightly be added to the costs of maintaining commodity reserves.

Such costs are to a certain extent inevitable, since the replenishment of the assortment of goods produced within the circulation channels always results in a certain portion of unsold goods, which become obsolete as new products are produced. They cannot be sold without a substantial price reduction. Such is the case with clothing and footwear, which are particularly affected by changing fashions and season, and also technically sophisticated products (radios, televisions, washing machines, household refrigerators, time-pieces, and others), which undergo rapid improvements under the influence of technological progress.

However, accumulation in the trade network of so-called unmarketable goods is associated not only with natural processes of a progressive nature; it results also from the commonly encountered phenomena of the non-conformity

of the assortment of goods produced with market demands and the orders placed by the trade network, low quality of the output of some factories and plants, shortcomings in the territorial distribution of goods and a low level of organization of trade.

A great variety of concepts and terms exists in the economic literature for determining the size and level of commodity reserves. They include: unmarketable, unpopular, slow-moving, excess, above norm goods. First of all, these concepts are not identical. They possess varying economic content. The term "above-norm stocks" does not mean that the goods unsold in a given period do not satisfy quality requirements. Rather establishing standardized stock sizes is simply far from perfect, and the norms established are often not scientifically valid.

On the other hand, low-quality goods which do not satisfy demand i.e., they are unmarketable, may not be included among the above-norm stock items. The following data is evidence of the relationship among these indicators. By the beginning of 1972 the above-norm stocks in the trade network totaled 3.5 billion rubles and the unmarketable goods amount to about the same sum. But by the beginning of 1975 the above-norm stocks were 2.9 billion rubles, while the unmarketable goods totaled 4.2 billion rubles. In 1975-1978 above-norm stocks in the trade network were continuously decreasing (from 3.2 to 2.1 billion rubles), and the intermediary trade offices received proposals to sell excess goods, the cost of which had in this period increased from 4.3 to 4.6 billion rubles.

The concept of above-norm stocks, necessary in the planning process, does not reflect the qualitative composition of the mass goods and its circulation time, which depend on various factors. Thus, the tricot stocks of local factories in the Kazakh SSR on the whole considerably exceed the established norm; their turnover time in the wholesale trade is 82 days, and in the retail trade--137 days, while items transported from Belorussia are sold in 48 and 50 days, respectively. Some specialists here draw the invalid conclusion of the need to expand the delivery of tricot items from other republics to Kazakhstan, instead of substantially improving the assortment and quality of goods of local factories. And these are not isolated examples. In drawing up the annual draft plans the representatives of a number of republics and oblasts constantly aspire to obtain goods resources by bringing in the output of factories and plants from other republics and oblasts producing high-quality goods and by shipping out local goods which are unpopular.

The resolution of such questions goes beyond the planned distribution of market commodity funds controlled by the USSR Ministry of Trade and its local affiliates. Before one can distribute resources, one needs to insure an efficient branch and territorial specialization of production and appropriate product quality in such a way that the management of reserves becomes secondary and dependent on management of production. What is needed here is a comprehensive study of problems to include participation by industry, transportation and the trade network. Only a comprehensive

approach will make it possible to find optimal solutions to the location and specialization of production, the assortment of goods produced, the interrelationships of production and consumption areas and the distribution of goods resources in time and space.

A comprehensive approach to solving these problems has not yet achieved sufficient acceptance. Facts of continuing specialization of some factories in disregard of the interests of the trade and transportation networks are indicative at times of the unjustifiable expansion of territorial transport of goods. There are at the same time a considerable number of facts opposite in nature, which prove that each republic and oblast strives to produce a broad assortment of goods locally, an approach which reduces assembly line production, increases prime cost of items and negatively affects their quality. Light industry which produces seasonal items often bears considerable expenses and losses in connection with the seasonal "readjustment" of production lines, whereas it would be more advantageous to accumulate stocks in the wholesale network for the particular season. All such problems require a comprehensive examination. At present the USSR Ministry of Trade and its economic services spend most of their time in the passive study of demand for already existing goods and their distribution.

The wholesale network is an important link in the management of reserves. It is the wholesale network which is assigned the job of organizing the circulation of the mass of goods throughout the entire country, assembling the product assortment and insuring trouble-free supply to the retail network, public dining establishments and consumer service organizations. Much has been written about the fact that the wholesale network for this purpose should concentrate the predominant portion of commodity stocks in its warehouses. However, for the past two decades the share of the wholesale link in commodity reserves continues to remain at a low level--about 20 percent. From 1965 through 1977 the level of commodity stocks at the retail level decreased by 14.6 percent and at the wholesale level--by 38.2 percent. Consequently, nothing has come of the good intentions to concentrate a substantial portion of stocks in the wholesale link so as to facilitate maneuvering them and freeing the retail trade of excessive stocks. In explaining the causes of this phenomenon, specialists normally cite the lack of warehouse capacity at wholesale organizations. Others consider that the development of direct relations between producing plants and the retail network makes it possible to deliver the majority of goods directly from plant to retail outlet, while additional handling at the wholesale warehouses simply increases the number of links in the movement of goods.

However, study of this area has shown that the root of the problem lies elsewhere. Technology which was created under conditions of insufficient production of many products and a narrow assortment of them still prevails in the trade network. Since each store cannot count on a regular supply in a complete assortment needed to fulfill the primary volume indicator--goods turnover, it attempts to take advantage of every opportunity to have delivered the goods allocated to it on the basis of the principle: "if not delivered today--it will be unavailable tomorrow." The stores accumulated the greatest possible volume of goods, often by using unconverted

basements as storerooms, by creating in the stores proper additional storage areas to the detriment of customer service or by setting up storage areas on the side. Trade network organizations--trade organizations, routine supply departments, intermediary trade offices--create their own primitive storage areas in order not to "miss out" on the allocated stocks. Furthermore, in some cases retail organizations investigate the possibility of building quite sizable modern warehouses as well. On the whole state retail organizations in the period 1960 through 1975 increased their storage capacity by 8,241 thousand square meters, or 2.2-fold. In this same period the storage capacity of state wholesale organizations increased by only 3,357 thousand square meters. If one takes into account the increase of the stores' auxiliary premises associated with the expansion of the trade network, which according to our calculations totals no less than 5.2 million square meters, it turns out that the retail trade's material base in the 15 year period has grown 13.5 million square meters, and that of the wholesale trade--by only 3.4 million square meters, or 4 times more slowly.

Existing product supply technology depends on hundreds of thousands of small warehouses (having virtually no mechanization) subordinated primarily to the retail organizations. Wholesale warehouses are relatively few and handle supplies primarily at the interrepublic and interoblast' levels and also imported items.

As a result of precisely this supply system the predominant portion of product stocks is found at the retail level. 90 percent of the stocks of non-grocery items, the majority of which come in extensive assortments and require assembly into units, is in the hands of retail organizations. This results in a narrow assortment at some levels, extends the time needed for sale and deprives the mass of goods of needed mobility. Another consequence of this policy is the accumulation of excessive stocks of some goods while there exists total absence of others. For example, by the start of 1977 above-norm stocks of tricot outer wear equaled 44 percent of the norm, while for rubber footwear the norm had been exceeded almost two-fold. Considerable above-norm stocks existed also for metal dishes, synthetic detergents, tobacco items, and others.

Quite substantial irregularity is observed in the territorial distribution of reserves. For example, stocks of electric irons in Azerbaijan represented 87 days of goods turnover, but in Kirgiziya--400; sewing machines in Latviya--62 days, but in Moldaviya--203; notebooks in Georgia--22 days, but in Belorussia--89 days, and so forth. The concentration of the majority of goods in stores is inefficient. Firstly, the relatively costs for store construction per 1 square meter is 2-3 times greater than for warehouse construction. A reduction in the relative share of auxiliary premises in stores would yield additional areas for improved customer services, while yielding no increase in the volume of construction. One cannot ignore the fact that the stores are located in residential areas and along main city thoroughfares where economy of space is particularly important. Secondly, the dispersion of the mass of goods among hundreds of thousands of stores inevitably deprives the goods of mobility and drastically reduces

the potential for stock management and timely assortment renewal and replenishment. Thirdly, it is impossible in the stores to create appropriate conditions for product storage and to mechanize the labor associated with handling and transport. Stock inventory becomes more complex, and storage costs increase in comparison with warehouse storage costs.

These negative aspects of "store" storage are eliminated when goods are concentrated at wholesale warehouses, but even here only major mechanized and automated warehouse complexes have an advantage. For example, small warehouses (with a goods turnover of 20-40 million rubles annually) have a level of 30-35 days of stocks on hand, whereas at major warehouses (with a goods turnover of over 120 million rubles annually) the rate of goods turnover doubles, and the level of on-hand stocks is reduced to 15-20 days.

These and other indicators convincingly indicate the advisability of building major warehouses and increasing in them the active share of fixed capital through mechanization and automation of labor processes. As studies indicate, the creation of independent warehouses serving various wholesale and other organizations on the basis of providing goods storage, transport and shipping services--in effect general-purpose wholesale distribution centers (based on the example of the Interrayon consumer cooperative distribution centers)--could become a more worthwhile form of warehouse management. However, they are suitable in far from all cases.

The concentration of stocks at major warehouses is not necessarily one and the same as their concentration in the hands of the wholesale network. Under contemporary conditions, when more major trade associations are being created in the retail network, it is advisable to have as well major warehouses (usually called distribution centers) which belong to these retail associations, or to transform them into wholesale-retail associations. Klaypeda, Bendery and other cities have experience in creating such storage facilities.

The creation of modern major warehouses is being retarded for a number of reasons. They include economic factors, among them the existing system of wholesale discounts, in accordance with which the wholesale distribution centers derive equal income for the sale of goods whether through direct shipments or through their own warehouses, regardless of the nature of the services provided to customers.

Needed are more active development and incorporation of a modern goods supply system based on containerization and container integration, the use of transport-display equipment and the regular and comprehensive supply of goods direct to retail store shelves. The 10th Five-Year Plan's program of scientific-technical work adopted by the USSR State Committee for Science and Technology and in which dozens of scientific, design and industrial worker collectives are participating, is contributing towards this goal. The intention is to subsequently expand new development efforts and insure the transition from the experimental to a mass incorporation of a progressive goods supply system. The most important factor in the solution of this

task is a comprehensive approach to the problem, since participation is needed by industrial enterprises--the goods producers, machine building plants--producers of prepacking, packaging and handling equipment, the transport system, industry and the wholesale and retail networks. Only the coordinated work of all levels can yield a high effect taking the form of a savings of manpower, material resources, time and an increase in the level of customer service.

Under contemporary conditions it is difficult to imagine the management of stocks without the use of computers, first and foremost to organize the record-keeping needed for movement of the great number of products amounting in just the area of consumer goods to over a half-million items. Only the first steps have been taken in this direction. The current small number of computers is directed primarily at the automation of bookkeeping accounting, calculation of wages and a number of other low-yield tasks. Recording product movement has thus far not taken the lead in the systems under development. In the USSR Ministry of Trade System almost every computer center establishes its own system of product classification and coding. The modern multipurpose coding system developed by the All-Union Scientific-Research Institute for Trade Network Economics and Management Systems and the industry-wide goods classification based on it have not been widely accepted. Work in this area is not being properly coordinated.

Management of product stocks is not a technical or mathematical problem but a complex economic and commercial one, the solution of which requires a comprehensive approach. Constant improvement of such work is needed to increase the effectiveness of the turnover process and to create the conditions required to satisfy the growing needs of Soviet people.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

ROLE OF AUTOMATIC CONTROL SYSTEMS IN TRADE DESCRIBED

Moscow SOVETSKAYA TORGOVLYA in Russian No 3, Mar 80 pp 10-14

[Article by F. Fesenko, deputy minister of trade of the USSR, doctor of economic sciences, Moscow: "Utilize Automatic Control Systems More Effectively"]

[Text] The Communist Party and the Soviet government are following a consistent policy for further improvement of planned leadership of the economy, for raising the effectiveness and quality of work in all units of the national economy. In implementing this policy, the CPSU Central Committee and the USSR Council of Ministers have adopted a resolution "On Improvement of Planning and Increasing the Action of the Economic Mechanism on Raising the Production Efficiency and Improving the Quality of Work." The system of measures outlined by the resolution should raise the level of planning and management in all sectors of the national economy, including trade, to a new level, and bring them into correspondence with the demands of the present stage of development of the economy. And this is directly connected with the introduction of automatic control systems.

Under the conditions of expansion of economic relations, growth in the volume and complexity of operations, increasing the dynamic nature of commercial and economic processes, the effectiveness of the activity of trade enterprises depends to an increasingly greater degree on the quality of management, its transfer to a fundamentally new level through the use of electronic computers.

At the beginning of 1980 there were 56 automatic control systems operating in the system of the USSR Ministry of Trade. Projects are underway in planning organizations and computer centers to design and develop 65 more automatic control systems for trade (ASUT) of different types and functional designations.

As an analysis has shown, observed in the system of the USSR Ministry of Trade is a certain growth in the scientific and technical level of the

automatic control systems for trade. There has been a rise in the level of planning decisions and the quality of technical documentation. The share of problems of a mathematical economics and analytical nature has increased. Now, for instance, this share comes to about 60 percent in the unified automatic control system for trade (OASUT) of the USSR Ministry of Trade.

At different levels of management of the sector there are adequately developed automatic control systems for trade. We will mention only a few of them as an example.

Thus, the automated system for processing market information, developed by Ukrtorgeisistemotekhnika [not further identified], makes it possible to speed up considerably the holding of republic fairs for footwear products, and to reduce substantially the volume of manual operations. Introduced in this system for the first time in the sector was a method of inputting the data in the electronic computer with the use of video terminals.

Of interest in retail trade is the experience of the IVTs [information and computer center] of the Main Administration for Trade under the Leningrad City Executive Committee. The problem "Calculation of a Comparable Base of Commodity Turnover," developed and introduced here in the make up of the automatic control system for retail trade in Leningrad, in addition to being introduced in administrations for trade in foodstuffs and industrial goods, has also been introduced in the DLT [House of Leningrad Trade], and "Passash" firms, in the "Kupchinskiy" department store, the "Lengalantereya" mart, and others. The problems "Recording wage settlements with workers and employees" and "Amount and total accounting of the movement of goods and packing at warehouses of the firm (department store)" have also been introduced at many enterprises and retail trade organizations in Leningrad. Support points outfitted with peripheral equipment have been set up at large retail enterprises and organizations in the city.

Extensive work on introducing computer technology is being conducted by the Main Administration for Trade of the Moscow City Executive Committee, which is yielding a substantial benefit. Thus, introduction of a problem for automation of the accounting of settlements for goods sold on credit has made it possible to reduce the bad debts with respect to credit by 1 million rubles and to release 57 bookkeepers. Owing to reduction in the number of workers and a decrease in payments for bank credit the economic benefit comes to 200,000 rubles per year.

The automatic control system of the Administration for Trade of the Gor'kiy Oblast Executive Committee, the automatic control system of the Minsk Oblast "Belgalantereya" wholesale depot, and also the automatic control systems of the Vitebsk "Belgalantereya" and "Bel'torgodezhda" depots have proven to be good.

The first phases of the introduced automatic control systems solve problems in the make-up of seven functional subsystems: management of trade turnover, management of movement of commodities, bookkeeping, study and forecasting of demand, personnel administration, management of financial activity, administration of labor and wages. On the average 20 problems are solved in the make-up of four subsystems within one system. These are mainly in the subsystems for study and forecasting of demand, management of trade turnover, management of movement of commodities, and bookkeeping.

At present among the introduced problems in automatic control systems for state trade about 23 percent are solved daily, and approximately 31 percent are solved once a month. As we see, the problems connected with daily management are still being solved in small numbers.

The division of automatic control systems for trade into functional subsystems will, undoubtedly, be improved. The creation of integrated systems on the basis of an automated data bank will make important adjustments in existing concepts.

The All-Union Soyuztorgsistema Association has made an analysis of the economic effectiveness of automatic control systems of the system of the USSR Ministry of Trade on the basis of the technico-economic indicators of 58 objects which were affected or developed by the automatic control system for trade. It was established that on the average the outlays for creation of one system are recovered in 2.8 years.

In the current five-year period the expected economic benefit from introduction of automatic control systems in state trade will come to over 30 million rubles.

In trade a number of specialized organizations has been formed for designing automatic control systems for trade: the All-Union Soyuztorgsistema Association, RosASUTproyekt, Ukrtorgsistemotekhnika, BeltorgASUproyekt, and the Tsentrosoyuzsistema Production-Technological Association (PTO). Definite organizational-methodical prerequisites have been set up for rational organization of the planning process. Methods have been developed and approved for conducting pre-planning surveys, for calculation of economic effectiveness, determining the scientific and technical level of automatic control systems for trade, for temporary expanded standards for their creation, and others.

Preserved, nevertheless, is the substantial difference in the volumes and nature of automation of the functions of management, in the quantity and composition of the subsystems and problems to be solved using the electronic computer. As before there is no uniformity in the designation of introduced problems and subsystems, and disagreement is observed regarding the guiding instruction on creation of automatic control systems for trade. This substantially hinders the exchange of experience, dissemination of prepared programs, documents and so on.

One of the basic directions for reducing the cost of creating automatic control systems and raising their scientific and technical level is the development of standard planning decisions (TPR; tipovyye proyektnyye resheniya). Projects for creation of methods of standard planning have been conducted for this purpose by scientific research and planning organizations.

On the basis of these methods VNIIEK [All-Union Scientific Research Institute for the Study of the People's Demand for Consumer Goods and Trade Conditions] has created standard planning decisions for the subsystem "Study and Forecasting of Demand" for the ministry of trade of the union republic, and the All-Union Soyuztorgsistema Association and RosASUTproyekt have developed functional and information materials for automatic control systems of oblast trade administrations. The indicated developments are now being introduced at the appropriate trade facilities.

RosASUTproyekt is successfully introducing standard planning decisions for the "Bookkeeping" subsystem at enterprises of the RSFSR Ministry of Trade, and the Belorussian SSR Ministry of Trade, having developed a standard version of the "Clothing" automatic control system, will circulate it to other wholesale enterprises of the same type in the republic.

Other measures are also being taken. For instance, in order to eliminate duplication in the work, the USSR Ministry of Trade has designated as the leading organization for creation and introduction of the group of problems "Keeping Accounts for Goods Sold on Credit" the Information and Computer Center of the Administration of Trade under the Khar'kovsk Oblast Executive Committee, which has the most experience in creation of the given complex. This practice will be spread to other important problem groups.

The introduction of standard planning decisions is being held back because the information and computer centers of the sector are equipped with electronic computers of different types and generations (Minsk-22, Minsk-32, Dnepr-21, Ruta-100, M-5000, YeS-1020, YeS-1022) and also as a result of the inadequate unification of the organizational structures of management.

Despite the indicated difficulties in state trade there is an increase every year in the number of introduced standard planning decisions for automatic control systems. In the next five-year plan the standard planning decisions will be made more intensively, and the number of developer organizations will be reduced mainly as a result of excluding from among them the computer centers which are called on, as a rule, not to develop, but to operate the automatic control systems.

An analysis of the scientific and technical level and effectiveness of automatic control systems for trade shows that in this area we have many serious shortcomings. Needed is an exceptionally great amount of organizational work, and a significant improvement in the qualifications of planners, computer center workers, and specialists in trade and public catering in order radically to improve the situation.

The shortcomings in a future automatic control system for trade often are established even at the stage of preplanning survey. The survey of trade organizations and enterprises in connection with the creation of automatic control systems in many cases is done formally, without an in-depth analysis of the bottlenecks in management. Absolutely insufficient attention is given to technico-economic substantiation of the creation of the automatic control systems for trade. Still not developed according to the results of the survey are in-depth proposals for improving the functions, structures and methods of management, or for substantiation of the necessity of the proposed groups of problems. The aim of setting up the automatic control system for trade and the basic criteria of effectiveness for evaluation and selection of the version of automation are not substantiated. But how is it possible to create an effectively operating automatic control system for trade if the concrete goal of its creation has not been ascertained, and the criteria according to which it would be possible to make a judgement about the degree of achievement of the goal have not been established? Hence we have the obvious requirement to outline even at the preplanning stage the end results which it is necessary to achieve on the basis of introduction of an automatic control system for trade. A clear understanding of this position should be made the basis of both the developers and the clients for automatic control systems for trade.

In the documentation, especially at the stage of the technical plan, there are excessively many general discussions and at the same time the decisions made are inadequately disclosed and substantiated, and much important information is lacking.

Little use is made of the methods of mathematical economics when setting up the economic problems. Often these problems repeat the methods of manual accounting, and the list of them, as in a mirror, reflects the routine organization of managerial work which has become established in many enterprises.

It is necessary for the ministries of trade of the union republics, and the oblast administrations of trade to increase significantly their exactingness toward the preplanning stage of setting up automatic control systems for trade, to get the active participation of the clients in carrying out the work for the survey and development of technical assignments. The materials of the preplanning surveys, technico-economic substantiations and technical assignments should be discussed at meetings of the collegiums, technico-economic and technical councils.

The long periods for development of automatic control systems should be included among the serious shortcomings. Often this leads to where some people begin to develop a system, but it is completed by others, and during this period the technical means provided for at the planning stage manage to become out-of-date. Prolonged development work leads to an increase in the cost of the systems.

The accumulated experience in planning control systems, the utilization of standard planning decisions, an increase in the labor productivity of the

planners, the introduction of results of scientific research and other factors will make it possible even in the near future to reduce the average cost and the time for development of automatic control systems for trade. This should take place under the conditions of an increase in the complexity of the systems as a result of their development on the basis of automated data banks, introduction of optimization problems, the use of new methods of management, the correlation of automatic control systems for trade in different levels of management, interfacing, for instance, with such automatic control systems of the statewide level as the automated system of planning calculations (ASPR; avtomatizirovannaya sistema planovykh raschetov), the automated system of state statistics (ASGS; avtomatizirovannaya sistema gosudarstvennoye statistiki), the automated system of data processing for prices (ASOItsen; avtomatizirovannaya sistema obrabotki informatsii po tsenam), and the automated system of financial calculations (ASFR; avtomatizirovannaya sistema finansovykh raschetov) of the USSR Ministry of Finance, as well as junctions with automatic control systems of other ministries and departments.

A great hindrance to increasing the effectiveness of automatic control systems for trade are the serious shortcomings occurring at the stage of introduction of the systems. Practice shows that preparation of the facility for introduction and the introduction of automatic control systems for trade lag considerably behind the plan deadlines, and the systems reach their planned capacity much later than the established times. This is a consequence of the poor participation by the clients in the development and introduction of automatic control systems, the inadequate level of the planning work, and also the turning over of control systems for industrial use which have not been duly adjusted in the process of experimental operation.

In order to increase the reliability of operation of the systems it is necessary to carry out their experimental operation and submission for industrial use on the basis of complete and actual information, and not partial and conditional information. Such a practice is already in use for the problems of the unified automatic control system for trade (OASUT) of the USSR Ministry of Trade.

The basis of the technical facilities for automatic control systems are the computer centers equipped with electronic computers. Operating in the system of the USSR Ministry of Trade at the beginning of 1980 were 40 computer centers. The total volume of operations of computer centers in the USSR Ministry of Trade comes to about 25 million rubles.

It is necessary first of all to note the large percentage of downtimes of electronic computers due to technical malfunctions. This allows us to come to a conclusion concerning the inadequate responsibility and the low quality of technical servicing of the electronic computers by the staff of the computer centers themselves and the specialized organizations.

The complex of technical devices of the computer centers in the sector includes in its make-up besides electronic computers also other equipment,

consisting of tabulators, keypunch machines, invoicing and bookkeeping machines, small-scale mechanization devices and so on. As of 1 July 1979 there were 85 tabulators, 389 keypunch machines, and 1043 invoicing and 453 bookkeeping machines at the computer centers.

This equipment operates on the average for 1-1.5 shifts, while the electronic computers operate for 2-3 shifts. The insufficient loading of the keyboard computing equipment leads to an increase in the number of peripheral technical devices for electronic computers and the personnel servicing them and, consequently, it leads to a reduction in the effectiveness of the performance of the computer centers.

The creation of automatic control systems for trade requires large outlays of labor and money. The development of programs is especially labor-intensive and expensive.

The software for recently developed automatic control systems for trade is determined both by the make-up of the technical devices used, and by the peculiarities of the problems to be solved. One of the most effective software means for automatic control systems for trade is the packages of applied programs (PPP; pakety prikladnykh programm).

It is necessary to expand considerably the use of applied program packages especially for optimization problems. It should be added that as there has been an increase in the problems of this type, applied program packages have been used which realize such methods of mathematical economics as linear programming, integer programming, the transport problem, and others.

The applied program packages for organization of data in automatic control systems for trade have priority significance. In this case the greatest effectiveness is attained during the use of applied program packages for creation of integrated systems on the basis of automated data banks. Unfortunately, in trade the indicated operations are only in the initial stage. In order to activate them, it is necessary to have cooperation of the efforts of our scientists, planners and programmers.

In many organizations their own program packages are being created. However these are poorly disseminated and are used only in the organizations which have developed them. A number of applied program packages has been developed, for instance, in organizations of the All-Union Soyuztorgsistema Association, but they have not found proper distribution.

The software for automatic control systems for trade is very important for their effective operation.

For the purpose of following a unified policy in the area of software for automatic control systems for trade, in 1978-1979 in the system of the USSR Ministry of Trade the functions of the head organization for introduction of a unionwide classifier of technical and economic information

(OK TEI; obshchesoyuznyy klassifikator tekhniko-ekonomicheskoy informatsii) and unified systems of documentation (USD; unifitsirovannyye sistemy dokumentatsii) were made the responsibility of the All-Union Soyustorg-sistema Association, and in addition base organizations for these problems were designated in each union republic.

Issued in 1979 was a collection of methods materials for software for automatic control systems for trade. At the present time work is being done on questions of utilization of the materials of the collection and introduction of unified systems of documentation with the enlistment of specialists from the ministries of trade of the union republics, and the main administrations of trade and public catering of the Moscow City Executive Committee and the Leningrad City Executive Committee. Organized beginning in 1979 was sector control over incorporating in the system the unionwide classifier of technical and economic information and the unified systems of documentation.

At present unionwide and sector classifiers of technical and economic information are being introduced in the sector. Utilized when solving problems of different subsystems of the automatic control system for trade are such unionwide classifiers as the OKP [unionwide classifier of industrial and agricultural products] (for industrial and agricultural output), the OKPO [unionwide classifier of enterprises and organizations] (for enterprises and organizations), the OKUD [Unionwide classifier of control documentation] (control documentation), SOATO (for objects of administrative-territorial division of the USSR and the union republics), SOOGU (System for designation of organs of state control of the USSR and union republics), OKONKh [unionwide classifier for a sector of the national economy] (for sectors of the national economy) and so on.

Experience has shown that significant difficulties are being encountered when introducing unionwide classifiers in the automatic control systems for trade. In the outlying areas this work is still underestimated and therefore the proper preparations have not been made for it. Purposeful and planned work is necessary for the introduction of already existing classifiers.

At a meeting held by USSR Gosstandart [State Committee for Standards] in Moscow in November 1979 concerning the experience in introducing unionwide classifiers of technical and economic information and unified systems of documentation in the management of the national economy, the necessity of using the unionwide classifiers for intersectorial information compatibility of the automatic control systems was noted.

In 1979 two sector classifiers were approved and distributed to the trade organizations: the SOYeVS (system of designations of units of value and calculation, utilized in automatic control systems for trade), and OKUDT (control documentation for trade).

Development of a sector classifier for goods presents considerable difficulty. Projects in this direction have been going on for a long time,

and now they have been turned over to the All-Union Soyuztorgsistema Association. It is necessary to complete them in the shortest times possible, and approve them and distribute them. Republic and local classifiers are also widely used in the automatic control systems for trade.

For a number of years now work has been going on to unify the documents in trade. However practically only the forms of documents for three subsystems have been standardized: for "Planning trade turnover," "Management of the movement of commodities," and "Study and forecasting of demand." Moreover, the indicated forms have been introduced in earnest only in the system of the Ministry of Trade of the Lithuanian SSR. The All-Union Soyuztorgsistema Association, and the ministries of trade of the union republics must conduct extensive work for dissemination of the experience of the Lithuanian SSR.

Maintaining the nationwide classifier of technical and economic information and the unified system of documentation in reliable condition is very important for the software of the automatic control systems. The significance of this work can be judged even by that just in the nationwide classifier of goods it is necessary daily to adjust up to 300 commodity entries. Temporary regulations on systems of implementing the nationwide classifier of technical and economic information and the unified system of documentation in the sector have been worked out and delivered to the ministries of trade of the union republics for the purpose of insuring reliability of the classifiers and documentation. Such systems should be created in all ministries of trade of the union republics, and also in the All-Union Soyuztorgsistema Association.

In order to achieve success in raising the scientific and technical level and the economic effectiveness of automatic control systems, it is necessary to conduct extensive work in the area of improving the methodology of creating automatic control systems, in organizational and economic backing of the developments.

Improvement of the methodology of creating automatic control systems for trade is directly connected with working out standard organizational structures of management and functional models of trade enterprises and organizations, taking into account the decisions which will be adopted in the general schemes of management of trade in the union republics, and also the requirement of utilization of electronic computers. Of great importance is the development of lists of management tasks, standard algorithms and packages of applied programs for different types of trade organizations and enterprises with a determination of the composition of input and output data; the development of a set of instructive and regulating materials for planning automatic control systems for trade on the basis of standard planning decisions and packages of applied programs; development of standard structures of the set of technical devices for automatic control systems for trade; and for development of measures regarding creation of a network of computer centers for trade and coordinating it with the established

collective-use computer centers, with the state network of computer centers and the statewide system of data transmission.

In the near future it is necessary to expand significantly the projects for creation of automatic systems of control of technological processes (ASU TP), particularly in the wholesale link. Here it is necessary to carry out a vast group of scientific research and planning projects.

It is necessary also to improve the methods of calculating the economic effectiveness of automatic control systems for trade and the methods of determining their scientific and technical level.

We face the following problems in the area of organizational and economic backing of the development of automatic control systems for trade: coordination of scientific research and planning projects for creation of automatic control systems for trade in the framework of the whole sector; specialization of organizations engaged in the development of automatic control systems in trade, which should provide both an improvement in the quality of the plans and a reduction in outlays for planning and introducing the systems; the concentration of resources on the conduct of scientific research and planning projects regarding creation of automatic control systems for trade; development of measures for increasing the responsibility of trade enterprises and organizations for fulfillment of the plans with respect to creation of automatic control systems for trade; insuring the material interest of all participants in the process of creating the systems in the end result--in timely submission, industrial operation and obtaining the assigned effectiveness of operation of the automatic control systems for trade; improvement in the organization of the management and use of the sector fund of algorithms and programs; the conduct of measures for rational distribution of functions among the organizations developing automatic control systems for trade, the clients and the information and computer centers; and development of regulations on the procedure of opening, presenting to the client, and closing projects for creation of automatic control systems for trade, and on the procedure for reviewing, coordinating and approving documentation regarding the automatic control systems for trade.

In the forthcoming five-year period the development of functional structures of automatic control systems will proceed in the direction not so much of an increase in the number of subsystems as of an improvement in their quality make-up, and particularly along the path of development of new problems embracing all the units and levels of management, including intersectorial relations and the economic relations of trade.

Further development of software for automatic control systems for trade has exceptionally great significance. It is necessary to develop and introduce a standard technology of planning and operation of software, and methods materials regarding utilization of newly created unionwide classifiers of technical and economic information and the unified system of documentation for trade, and also the systems of managing them. It is

very important to develop model structures of the flows of information and document turnover for all levels of management in trade.

It is necessary to carry out research and planning regarding the utilization of machine-readable documents in trade, the development and approval of standard documents about securing the legal status of machine forms of documents, and so on.

In the near future it is necessary to expand the projects for creation of a unified information language for trade, which should include all the classifiers used in the automatic control systems for trade, and a formalized list of trade and economic indicators. This language will be used in automatic control systems for trade during entry and search of managerial and scientific-technical information, and will become an intermediary when interfacing different automatic control systems for trade with one another and with automatic control systems of other sectors of the national economy.

In the software field it is necessary to develop complexes of models for management of commodity turnover and commodity resources. To be developed in the near future are: models of calculation of the planned structure of retail and wholesale trade turnover; the distribution of the total volume of trade turnover among organizations of a lower level as a whole and in a breakdown of commodity groups by years of the five-year plan; interrelations between the overall volume and the structure of retail trade turnover in the long-range and current plans; calculation and evaluation of the expected fulfillment of the plan for trade turnover; calculation of the optimum level and parameters of reserves for wholesale depots with respect to different groups of goods; distribution and redistribution of commodity reserves and above-norm reserves; optimization of the directions of freight flows and the relations between the suppliers and consumers of goods.

In addition, in the future a group of models should be worked out for management of organizations and development of the trade network, control of capital investments, outfitting enterprises with commercial and technological equipment and so on.

Models of forecasting demand and commodity reserves have great significance for backing up these complexes with very important initial data. In the next three-five years the development of existing models of short-, medium-, and long-term forecasting should increase the reliability of the results and further detailing of the forecasts, and their coverage of all levels of management of trade.

In order to raise the scientific and technical level of automatic control systems for trade it is necessary to expand the use of mini-computers, videoterminals, and devices for preparation of data on magnetic tapes. It is necessary to use in the systems universal and specialized data banks, multiprogram data processing, dialogue operation with videoterminal devices.

It is necessary to introduce programs of data input and output making it possible to use different forms of input and output documents, and others.

In order to coordinate activities for creation and improvement of automatic control systems in trade it is necessary for the head organizations of the USSR Ministry of Trade (All-Union Soyuztorgsistema Association) and Tsentrosoyuz (Tsentrosoyuzsistema Production-Technological Association) with the participation of planning organizations to develop in 1980 the appropriate unified coordination plan for 1981-1985.

The creation of automatic control systems for trade in correspondence with the latest scientific and technical advances, and their highly effective operation is the most important duty of the leaders and the specialists of our sector.

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